

Also, a bill (H.R. 3885) granting a pension to Marie Baraby; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3886) granting a pension to Mary J. Winslow; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3887) for the relief of William Thibeault; to the Committee on Military Affairs.

By Mr. PARKER of Georgia: A bill (H.R. 3888) for the relief of Maggie Bomar Rivers; to the Committee on Claims.

By Mr. PEYSER: A bill (H.R. 3889) for the relief of James Elliott & Co., Inc.; to the Committee on Claims.

Also, a bill (H.R. 3890) for the relief of J. A. Finn & Co., Inc.; to the Committee on Claims.

By Mr. SHALLENBERGER: A bill (H.R. 3891) granting an increase of pension to Mary Leach; to the Committee on Invalid Pensions.

By Mr. SINCLAIR: A bill (H.R. 3892) granting an increase of pension to Betsy Nelson; to the Committee on Invalid Pensions.

By Mr. WELCH: A bill (H.R. 3893) for the relief of Mark D. Moad; to the Committee on Military Affairs.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

83. By Mr. BEAM: Resolution of the City Council of Chicago, Ill., requesting that a firearms law be placed upon the Federal statutes; to the Committee on Interstate and Foreign Commerce.

84. By Mr. CARTER of California: Resolution passed by the Oakland City Council, opposing the proposal submitted to Congress proposing to tax publicly owned utilities; to the Committee on Ways and Means.

85. By Mr. CLARKE of New York: Petition of the Otego Susquehanna Valley Grange, No. 1417, protesting against any curtailing of the rural mail service, such as lengthening routes, combining so as to impair service, discontinuing, or letting by contract; to the Committee on the Post Offices and Post Roads.

86. By Mr. CONDON: Petition of the General Assembly of the State of Rhode Island, urging the use of granite in Federal construction; to the Committee on Appropriations.

87. By Mr. CUMMINGS: Petition signed by John E. Gross, secretary-treasurer, Colorado State Federation of Labor, Denver, Colo., recognizing the unfair burdens of existing taxation upon farms, agricultural property, has consistently fought for tax upon wealth, income, inheritance, and profit and opposed increasing burden of tax upon those least able to pay; to the Committee on Ways and Means.

88. Also, petition signed by John A. Snyder, president Morgan County Dairy Industry Association, and others, of Fort Morgan, Colo., urging the passage of the Frazier bill or similar bill; to the Committee on Ways and Means.

89. By Mr. GOSS: Petition of Charles Saukas and John J. Maher, of Ansonia, Conn.; Dennis O'Sullivan, of Derby; and other citizens of the cities of Ansonia, Derby, Beacon Falls, and Shelton, all in the State of Connecticut, asking for a revaluation of the gold ounce and requesting control of mass production; to the Committee on Banking and Currency.

90. By Mr. LINDSAY: Petition of the Federal Composition & Paint Co., Inc., New York City, favoring the passage of the Shannon bill (H.R. 235); to the Committee on Expenditures in the Executive Departments.

91. By Mr. PARKER of Georgia: Resolution of the Georgia Legislature, requesting the Congress of the United States to inflate the currency in a quantity sufficient to transact the business of the country; to the Committee on Banking and Currency.

92. Also, resolution of the Georgia State Senate, expressing to the President of the United States confidence in all his outlined programs of reconstruction; to the Committee on Ways and Means.

93. By Mr. RUDD: Petition of the Federal Composition & Paint Co., Inc., New York City, favoring the Shannon bill, for the discontinuance of the manufacture of paint and varnishes in the Government navy yards; to the Committee on Expenditures in the Executive Departments.

94. By Mr. SINCLAIR: Memorial of the Twenty-third Legislative Assembly of the State of North Dakota, requesting Congress to pass legislation for the acquisition of land for Federal game reserves in North Dakota, and for the maintenance of such reserves on or near the Fort Berthold Indian Reservation and on the Standing Rock Indian Reservation; to the Committee on the Public Lands.

95. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, expressing confidence in and support of the measures taken by President Roosevelt and the national administration in the present banking crisis; to the Committee on Banking and Currency.

96. Also, memorial of the Legislature of the State of Wisconsin, relating to the use of Wisconsin granite and hard limestone in Federal construction; to the Committee on Appropriations.

97. By the SPEAKER: Petition of Lincoln Central Labor Union, of Lincoln, Nebr., condemning the action of the Congressman for absenting himself from the Halls of Congress; to the Committee on the Judiciary.

98. Also, petition of Joseph J. Menge and other citizens of Cleveland, Ohio, suggesting the enactment of certain laws; to the Committee on Banking and Currency.

99. Also, petition of the Council of the City of Cambridge, Mass., commending the President for the way in which he has assumed leadership and also commending the House of Representatives for its prompt action in accepting the President's program; to the Committee on Ways and Means.

100. Also, petition of the Council of Minneapolis, Minn., requesting the Congress to increase Federal aid for public construction work; to the Committee on Ways and Means.

101. Also, petition of the Council of Sheboygan, Wis., requesting that the Congress enact House Joint Resolution 191, of the Seventy-second Congress; to the Committee on the Post Office and Post Roads.

102. Also, petition of the Council of Jamestown, N.Dak., urging that legislation be enacted establishing a standard of integrity and sound economy of municipal bond issues, and giving to municipalities which meet such standard the same rights enjoyed by national banks to receive national currency on the pledge of their bonds; to the Committee on Banking and Currency.

## SENATE

TUESDAY, MARCH 21, 1933

(Legislative day of Monday, Mar. 13, 1933)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

JOHN B. KENDRICK, a Senator from the State of Wyoming, appeared in his seat today.

The VICE PRESIDENT. The Senate will receive a message from the President of the United States.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H.R. 3757) to provide for direct loans by Federal Reserve banks to State banks and trust companies in certain cases, in which it requested the concurrence of the Senate.

#### CALL OF THE ROLL

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Black	Bulkeley	Carey
Ashurst	Bone	Byrd	Clark
Austin	Borah	Byrnes	Connally
Bachman	Bratton	Capper	Coolidge
Barkley	Brown	Caraway	Copeland

Costigan	Hayden	Metcalf	Smith
Couzens	Hebert	Murphy	Steiner
Dickinson	Johnson	Neely	Stephens
Dieterich	Kendrick	Norbeck	Thomas, Okla.
Dill	Keyes	Norris	Thomas, Utah
Duffy	King	Nye	Townsend
Erickson	La Follette	Overton	Trammell
Fess	Lewis	Patterson	Tydings
Fletcher	Logan	Pittman	Vandenberg
Frazier	Loneragan	Pope	Van Nuys
George	Long	Reed	Wagner
Glass	McAdoo	Reynolds	Walcott
Gore	McCarran	Robinson, Ark.	Walsh
Hale	McGill	Robinson, Ind.	Wheeler
Harrison	McKellar	Russell	White
Hatfield	McNary	Sheppard	

Mr. REED. I wish to announce that my colleague the junior Senator from Pennsylvania [Mr. DAVIS] is still detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. HEBERT. I desire to announce the necessary absence of the following Senators: Mr. KEAN, Mr. CUTTING, Mr. DALE, Mr. SCHALL, Mr. HASTINGS, Mr. GOLDSBOROUGH, Mr. SHIPSTEAD, and Mr. BARBOUR.

Mr. LEWIS. I desire to announce that the Senator from South Dakota [Mr. BULOW] is necessarily detained from the Senate by a slight illness. I will let this announcement stand for the day. I also desire to announce that the Senator from North Carolina [Mr. BAILEY] is necessarily detained from the Senate.

Mr. BLACK. I wish to announce that my colleague [Mr. BANKHEAD] is necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-three Senators having answered to their names, a quorum is present.

#### RELIEF OF UNEMPLOYMENT—PRESIDENT'S MESSAGE (H.DOC. NO. 6)

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read the President's message, as follows:

#### To the Congress:

It is essential to our recovery program that measures immediately be enacted aimed at unemployment relief. A direct attack in this problem suggests three types of legislation.

The first is the enrollment of workers now by the Federal Government for such public employment as can be quickly started and will not interfere with the demand for or the proper standards of normal employment.

The second is grants to States for relief work.

The third extends to a broad public-works labor-creating program.

With reference to the latter, I am now studying the many projects suggested and the financial questions involved. I shall make recommendations to the Congress presently.

In regard to grants to States for relief work, I advise you that the remainder of the appropriation of last year will last until May. Therefore, and because a continuance of Federal aid is still a definite necessity for many States, a further appropriation must be made before the end of this special session.

I find a clear need for some simple Federal machinery to coordinate and check these grants of aid. I am, therefore, asking that you establish the office of Federal relief administrator, whose duty it will be to scan requests for grants and to check the efficiency and wisdom of their use.

The first of these measures which I have enumerated, however, can and should be immediately enacted. I propose to create a civilian conservation corps to be used in simple work, not interfering with normal employment, and confining itself to forestry, the prevention of soil erosion, flood control, and similar projects. I call your attention to the fact that this type of work is of definite, practical value, not only through the prevention of great present financial loss but also as a means of creating future national wealth. This is brought home by the news we are receiving today of vast damage caused by floods on the Ohio and other rivers.

Control and direction of such work can be carried on by existing machinery of the Departments of Labor, Agriculture, War, and Interior.

I estimate that 250,000 men can be given temporary employment by early summer if you give me authority to proceed within the next 2 weeks.

I ask no new funds at this time. The use of unobligated funds, now appropriated for public works, will be sufficient for several months.

This enterprise is an established part of our national policy. It will conserve our precious natural resources. It will pay dividends to the present and future generations. It will make improvements in National and State domains which have been largely forgotten in the past few years of industrial development.

More important, however, than the material gains will be the moral and spiritual value of such work. The overwhelming majority of unemployed Americans, who are now walking the streets and receiving private or public relief, would infinitely prefer to work. We can take a vast army of these unemployed out into healthful surroundings. We can eliminate to some extent at least the threat that enforced idleness brings to spiritual and moral stability. It is not a panacea for all the unemployment, but it is an essential step in this emergency. I ask its adoption.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 21, 1933.

The VICE PRESIDENT. The message of the President of the United States will be referred to the Committee on Education and Labor and be printed.

#### RELIEF OF UNEMPLOYMENT

Mr. ROBINSON of Arkansas. Mr. President, out of order, for myself and for the Senator from New York [Mr. WAGNER], I ask leave to introduce a bill, have it read, and referred to the Committee on Education and Labor.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The bill (S. 598) for the relief of unemployment through the performance of useful public work, and for other purposes, was read the first time by its title, the second time at length, and referred to the Committee on Education and Labor, as follows:

*Be it enacted, etc.,* That the President of the United States be, and he is hereby, authorized to select from the unemployed citizens of the United States, as nearly as possible in proportion to the unemployment existing in the several States, a civilian conservation corps, who shall be enrolled for a term of 1 year, unless sooner discharged; no discharges to be permitted except under such rules and regulations as the President may direct. Each member of the civilian conservation corps shall be paid at a rate to be fixed by the President, not to exceed \$30 per month, and provided with quarters, subsistence, clothing, medical attendance and hospitalization: *Provided,* That whenever a member of the said corps has a wife or other dependent or dependents, an involuntary allotment from his pay shall be made and paid to or for such dependent or dependents in such amount and under such rules and regulations as the President may prescribe. Each member shall, at the time of enrollment, agree to abide by the provisions of this act and by all rules and regulations issued by the President of the United States hereunder, which shall not include any obligation to bear arms.

SEC. 2. The provisions of chapter 15, title 5, United States Code, are hereby extended to members of the civilian conservation corps insofar as they may be applicable.

SEC. 3. That no right or claim to pension or compensation other than that expressly provided for herein shall arise or accrue under this act or out of enrollment or service in the civilian conservation corps.

SEC. 4. That the President is hereby authorized to utilize the civilian conservation corps and any existing departments or agencies of the Government in the execution of this act in the maintenance, construction, or carrying on of works of a public nature for which sufficient funds are not available, such as forestation on National and State lands, prevention of soil erosion, flood prevention, and construction, maintenance, or repair of roads and trails on the public domain, the national parks, national forests, and other Government reservations: *Provided,* That the foregoing enumeration shall not be construed as a limitation of the kind of projects which may be undertaken hereunder: *Provided further,* That such projects shall be self-liquidating insofar as practicable.

SEC. 5. That whenever in the administration of this act it becomes necessary to secure the services of skilled artisans or other expert employees not available in the civilian conservation corps the President may authorize their employment at the prevailing wage of the locality.

SEC. 6. That to carry out the provisions of this act there is hereby authorized to be expended under the direction of the



President, out of such unobligated moneys in the Treasury heretofore appropriated for public works as may be necessary and available.

Sec. 7. That in the execution of this act the President, or the head of any department authorized by him to construct any project or to carry on any work, shall have the right to acquire real property by purchase, condemnation, or otherwise: *Provided*, That the provisions of section 355, Revised Statutes, shall not apply to lands acquired pursuant to this section.

Sec. 8. That the President is hereby authorized to prescribe necessary and proper rules and regulations; to enter into contracts or arrangements with States, counties, municipalities, and other public bodies; and to do any and all things necessary to carry out and accomplish the purpose of this act.

Mr. McNARY subsequently said: Mr. President, I was interested a few moments ago, in reading the bill proposed jointly by the Senator from Arkansas and the Senator from New York, to observe that the sums of money to be available for unemployment in connection with reforestation and erosion are the unobligated funds heretofore provided for public works, no sums being specifically designated. I should like to know from the Senator from Arkansas what is the estimated amount of the unappropriated funds.

Mr. ROBINSON of Arkansas. Something in excess of \$200,000,000.

Mr. McNARY. Are those funds that have been appropriated and allocated for public works like Federal buildings and post offices?

Mr. ROBINSON of Arkansas. Yes.

Mr. McNARY. Or do they include rivers and harbors also?

Mr. ROBINSON of Arkansas. They include public works generally.

Mr. GEORGE. Mr. President, will the Senator from Arkansas advise us what portion of this unexpended balance is made up of unused road funds, public-highway funds, if any?

Mr. ROBINSON of Arkansas. I am not able to give that information, but I shall procure it. I do not understand that it is expected to apply funds of that character to this work.

Mr. TRAMMELL. Mr. President, I suppose the authors of the bill, before its consideration, will furnish details as to the source from which these unexpended funds are coming.

Mr. ROBINSON of Arkansas. The Committee on Education and Labor, to whom the bill has been referred, will be supplied with full information on the subject.

#### LOANS BY FEDERAL RESERVE BANKS TO STATE BANKS

The VICE PRESIDENT. The Chair lays before the Senate a bill from the House of Representatives which the Chair understands the Senator from Arkansas [Mr. ROBINSON] desires to have referred to the Committee on Banking and Currency. The clerk will state the title of the bill.

The bill (H.R. 3757) to provide for direct loans by Federal Reserve banks to State banks and trust companies in certain cases was read twice by its title.

Mr. ROBINSON of Arkansas. Mr. President, I wish to make a brief statement in explanation of the reference of the bill to the Committee on Banking and Currency. This is a new bill, passed by the House of Representatives yesterday. It embraces some of the provisions of Senate bill 320, which was passed by this body several days ago, and includes three additional provisions. It is my information that some amendments are to be considered in connection with the bill, including, in all probability, a measure passed by the Senate several days ago, known as the "Bulkley bill" having relation to preferred stock of banks. The Committee on Banking and Currency has arranged to meet this afternoon. I move that the bill be referred to that committee.

The motion was agreed to.

Mr. FLETCHER. Mr. President, I may say that the Committee on Banking and Currency this morning at its regular meeting discussed the matter to which the Senator from Arkansas has referred, and it was the purpose of the committee and their resolution to meet today at 3 o'clock in case the bill was referred to it. So we shall take the measure up at 3 o'clock today and consider it.

#### REPORTS OF THE TARIFF COMMISSION

The VICE PRESIDENT laid before the Senate six letters from the Chairman of the United States Tariff Commission, transmitting reports of investigations of the Commission in response to resolutions of the Senate, which were referred to the Committee on Finance, as follows:

A report to the President, under the provisions of section 336 of the Tariff Act of 1930, with respect to crab meat (S.Res. 122, 72d Cong.);

A report to the President, under the provisions of section 336 of the Tariff Act of 1930, with respect to optical fire-control instruments and precision drawing instruments (in partial response to S.Res. 227, 72d Cong.);

A report to the President with respect to agricultural hand tools; a supplemental report to be forwarded (S.Res. 295, 71st Cong.);

A report to the President, under the provisions of section 336 of the Tariff Act of 1930, with respect to blown-glass tableware (S.Res. 330, 71st Cong.);

A report to the President, under the provisions of section 336 of the Tariff Act of 1930, with respect to cotton velveteens and velvets; a supplemental report to be forwarded (S.Res. 440, 71st Cong.); and

A report to the President, under the provisions of section 336 of the Tariff Act of 1930, with respect to nonedible gelatin and glue (S.Res. 458, 71st Cong.).

#### HALEAKALA NATIONAL PARK ROAD, HAWAIIAN TERRITORY

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

##### Concurrent resolution

Whereas there is located on the summit of Haleakala on the island of Maui a national park known as the "Haleakala National Park", which park includes the extinct crater known as "Haleakala Crater"; and

Whereas the Territory of Hawaii appropriated a large sum of money to construct, and has contracted to construct, a road from the park boundary to the present public-road system on the island of Maui upon the understanding that the United States Government would construct the road from the park boundary to the summit of Haleakala where the crater is located; and

Whereas the Territory of Hawaii would never have entered into the construction of the road constructed by it to the boundary of the said national park unless it had been assured that the Federal Government would have completed the road to the summit of Haleakala; and

Whereas the road constructed by the Territory of Hawaii to the boundary of said national park is of no benefit to the general public unless the same is completed to the summit of Haleakala; and

Whereas the completion of said road from the park boundary to the summit of Haleakala would be of immense public benefit for the relief of unemployment inasmuch as the necessary method of construction would require that the greatest part of the work be done by hand labor: Now, therefore, be it

*Resolved by the House of Representatives of the Legislature of the Territory of Hawaii (the senate concurring)*, That the Congress of the United States be, and it is hereby, requested to provide sufficient funds to complete the Haleakala National Park road from the boundary of said park to the summit of Haleakala in accordance with the understanding had with the Territory of Hawaii; and be it further

*Resolved*, That a certified copy of this resolution be transmitted to the President of the Senate of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from the Territory of Hawaii.

[Resolution duly certified.]

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

A bill (S. 594) granting a pension to Emery Ray Greenwood (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 595) granting a pension to Grace V. Foster; and

A bill (S. 596) granting a pension to Fay B. Weekley; to the Committee on Pensions.

By Mr. HEBERT:

A bill (S. 597) for the relief of Elmer M. Place, Jr.; to the Committee on Naval Affairs.

(Mr. ROBINSON of Arkansas introduced Senate bill 598, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. OVERTON:

A bill (S. 599) to authorize removal of wreck of ex-U.S.S. *Cincinnati*; to the Committee on Commerce.

By Mr. McADOO:

A bill (S. 600) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. CAREY:

A bill (S. 601) to meet the existing emergency in the agricultural industry, to provide for the reduction of the interest on certain existing farm mortgages, to amend and supplement the Federal Farm Loan Act; to the Committee on Banking and Currency.

A bill (S. 602) to provide for the storage for diversion of the waters of the North Platte River and construction of the Saratoga reclamation project; to the Committee on Irrigation and Reclamation.

A bill (S. 603) granting an honorable discharge to Walter Joseph Shikany; to the Committee on Naval Affairs.

A bill (S. 604) amending section 1 of the act entitled "An act to provide for stock-raising homesteads, and for other purposes", approved December 29, 1916 (ch. 9, par. 1, 39 Stat. 862), and as amended February 28, 1931 (ch. 328, 46 Stat. 1454); to the Committee on Public Lands and Surveys.

By Mr. LOGAN:

A bill (S. 605) authorizing national banks to establish branches in certain cases; to the Committee on Banking and Currency.

A bill (S. 606) to authorize the waiver or remission of certain coal-lease rentals, and for other purposes;

A bill (S. 607) for the relief of the Union Bank & Trust Co., of Lexington, Ky.;

A bill (S. 608) for the relief of the State Bank & Trust Co., of Richmond, Ky.; and

A bill (S. 609) for the relief of the Shelby County Trust & Banking Co., of Shelbyville, Ky.; to the Committee on Claims.

A bill (S. 610) for the relief of Thomas Salleng; and

A bill (S. 611) for the relief of Charles Wilson; to the Committee on Military Affairs.

A bill (S. 612) granting a pension to Winnie Hood;

A bill (S. 613) granting a pension to Green Isaacs;

A bill (S. 614) granting a pension to John M. Roundtree;

A bill (S. 615) granting a pension to William Russell;

A bill (S. 616) granting a pension to W. P. Saling; and

A bill (S. 617) granting an increase of pension to Charles Steffey; to the Committee on Pensions.

A bill (S. 618) to amend the act of May 25, 1926, entitled "An act to provide for the establishment of the Mammoth Cave National Park in the State of Kentucky, and for other purposes"; to the Committee on Public Lands and Surveys.

By Mr. JOHNSON:

A bill (S. 619) for the relief of Arabella E. Bodkin;

A bill (S. 620) for the relief of Catherine Wright; and

A bill (S. 621) conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad; to the Committee on Claims.

A bill (S. 622) to authorize the presentation to Robert A. Roos of a Distinguished Service Medal; to the Committee on Military Affairs.

A bill (S. 623) granting a pension to Wiley E. Bolt;

A bill (S. 624) granting a pension to Robert E. McCann;

A bill (S. 625) granting a pension to Lottie A. Torrance;

A bill (S. 626) granting a pension to Michael L. Walsh; and

A bill (S. 627) granting an increase of pension to Mary E. Jasper; to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 628) for the relief of Joanna A. Sheehan; to the Committee on Claims.

A bill (S. 629) granting compensation to Philip R. Roby; to the Committee on Finance.

A bill (S. 630) for the relief of Ray Funcannon; to the Committee on Naval Affairs.

By Mr. PATTERSON:

A bill (S. 631) for the relief of Charles P. Shipley Saddle & Mercantile Co.; to the Committee on Claims.

A bill (S. 632) granting a pension to Sallie Babb;

A bill (S. 633) granting a pension to Frank A. Boster;

A bill (S. 634) granting a pension to Ida C. Cantrell;

A bill (S. 635) granting a pension to Angeline Hart;

A bill (S. 636) granting a pension to Tennie Hembree;

A bill (S. 637) granting a pension to Sarah E. Hermanstorfer;

A bill (S. 638) granting a pension a Belle Shanholtzer McGary;

A bill (S. 639) granting a pension to Ida Madden;

A bill (S. 640) granting a pension to Mary J. Mayhew;

A bill (S. 641) granting a pension to Agnes P. Miller;

A bill (S. 642) granting a pension to Mary E. Norris;

A bill (S. 643) granting a pension to Mary A. Phillips;

A bill (S. 644) granting a pension to Mattie Randolph;

A bill (S. 645) granting a pension to Martha E. Robbins;

A bill (S. 646) granting a pension to Melissa P. Seneker;

A bill (S. 647) granting a pension to Clara Slyker;

A bill (S. 648) granting a pension to E. Jane Spencer;

A bill (S. 649) granting a pension to Lillie E. Sullivan (with accompanying papers);

A bill (S. 650) granting a pension to Mollie Turner (with accompanying papers);

A bill (S. 651) granting a pension to Eva Whittington;

A bill (S. 652) granting a pension to Lou C. Witt;

A bill (S. 653) granting an increase of pension to Mary E. Bonebrake;

A bill (S. 654) granting an increase of pension to Anna Callahan;

A bill (S. 655) granting an increase of pension to Adaline Calton;

A bill (S. 656) granting an increase of pension to Rachel C. Carrico;

A bill (S. 657) granting an increase of pension to Mary E. Chenoweth;

A bill (S. 658) granting an increase of pension to Anna L. Cowen;

A bill (S. 659) granting an increase of pension to Alice B. Davis;

A bill (S. 660) granting an increase of pension to Helen Dorsey;

A bill (S. 661) granting an increase of pension to Mary J. Easley;

A bill (S. 662) granting an increase of pension to Mary E. Fields;

A bill (S. 663) granting an increase of pension to Mary M. Fipps;

A bill (S. 664) granting an increase of pension to Lucinda E. Fleming;

A bill (S. 665) granting an increase of pension to Melvin E. Goodding;

A bill (S. 666) granting an increase of pension to Missouri E. Griffith;

A bill (S. 667) granting an increase of pension to Nancy G. Gurley;

A bill (S. 668) granting an increase of pension to Mary E. Hiles;

A bill (S. 669) granting an increase of pension to Sarah Hitchcock;

A bill (S. 670) granting an increase of pension to Hattie Hodges;

A bill (S. 671) granting an increase of pension to Serena Ivey;

A bill (S. 672) granting an increase of pension to Eliza J. Keith;



A bill (S. 673) granting an increase of pension to Virginia Lee;

A bill (S. 674) granting an increase of pension to Sarah E. Lewis;

A bill (S. 675) granting an increase of pension to Sarah A. Lofton;

A bill (S. 676) granting an increase of pension to Julia R. Moore;

A bill (S. 677) granting an increase of pension to Mira A. Murphy;

A bill (S. 678) granting an increase of pension to Maria M. Parmele;

A bill (S. 679) granting an increase of pension to Emma S. Rakestraw; and

A bill (S. 680) granting an increase of pension to Mary R. Ramsey; to the Committee on Pensions.

By Mr. WALSH:

A joint resolution (S.J.Res. 30) to authorize the erection of a monument to Queen Isabella; to the Committee on the Library.

#### POPULAR ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. NORRIS introduced a joint resolution (S.J.Res. 29) proposing an amendment to the Constitution of the United States providing for the popular election of President and Vice President of the United States, which was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

#### Senate Joint Resolution 29

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two thirds of each House concurring therein), That the following be proposed as an amendment to the Constitution of the United States, which shall be valid as a part of said Constitution when ratified by the legislatures of three fourths of the States, to wit:*

"The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years, and, together with the Vice President, chosen for the same term, be elected as follows: The choice of each State for President and Vice President shall be determined at a general election of the qualified electors of such State. The time of such election shall be the same throughout the United States, and unless the Congress shall by law appoint a different time such election shall be held on the first Tuesday after the first Monday in November in the year preceding the expiration of the regular term of the President and Vice President. The electors in each State shall vote directly for President and Vice President, and the laws of such State which apply to the canvassing of votes for chief executive of the State shall apply to the votes cast for President and Vice President. The laws of the State providing for the placing of the names of candidates for the office of chief executive of such State, including the names of independent candidates, upon the official ballot, if any is provided by the laws of the State, shall apply to the names of candidates, including independent candidates, for the office of President and Vice President. Each State shall be entitled to as many votes for President and Vice President as the whole number of Senators and Representatives to which the State is entitled in Congress. Each State shall certify and transmit, sealed, to the seat of the Government of the United States, directed to the President of the Senate, the result of said election. Such certificate shall contain distinct lists of all persons for whom votes were cast for President and for Vice President, the number of votes for each, and the total votes of the State cast for all candidates for President and for all candidates for Vice President. The President of the Senate shall, at a joint session of the Senate and House of Representatives, open all the certificates, and the votes shall then be counted. The votes cast in any State for any candidate for President shall be disregarded, if such votes are less than 1 percent of the total votes cast in such State for President. Each person for whom votes were cast for President in each State shall be credited with such proportion and fraction thereof of the Presidential votes of such States as he received of the total votes cast at said election for President, using for such fraction three decimals. The person having the greatest number of Presidential votes for President shall be President. The foregoing provisions shall apply to the election of Vice President, but no person constitutionally ineligible to the office of President shall be eligible to that of Vice President.

SEC. 2. If two or more persons shall have an equal and the highest number of votes cast for President, then from such persons the House of Representatives shall choose immediately the President. In choosing the President the votes shall be taken by States, the representation from each State having 1 vote. A quorum for this purpose shall consist of a member or members from two thirds of the States, and a majority of such quorum shall be necessary to a choice.

If two or more persons shall have an equal and the highest number of such votes cast for Vice President, then from such persons the Senate shall choose the Vice President.

SEC. 3. Congress may by law provide what procedure shall be followed and the method of obtaining a decision in case there shall be more than one certificate of Presidential votes from any State or in case of any other dispute or controversy that may arise in the counting and the canvassing of the Presidential votes by said joint session of the Senate and House of Representatives.

SEC. 4. Paragraphs 1, 2, and 3 of section 1, article II, of the Constitution and the twelfth amendment to the Constitution are hereby repealed.

#### INVESTIGATION OF ANTITRUST LAWS

Mr. KING. Mr. President, the Supreme Court of the United States has recently handed down an opinion growing out of the organization of the so-called "Appalachian Coal Association." If I interpret that opinion aright, it means the complete modification of and, indeed, the emasculation of the Sherman antitrust law, if it does not abrogate some of the provisions of the Clayton Act. Without expressing any opinion now as to the wisdom of modifying by judicial opinion a law that has been upon the statute books for many years, and the necessity of which must be apparent, it seems to me, Mr. President, that this is an appropriate time to have the Committee on the Judiciary make a searching investigation into the operations of the antitrust law, including the Clayton Act, with a view to determining what modifications of that law, if any, should be made; whether it should be strengthened or whether it should be abrogated.

I submit a resolution and ask that it may be referred to the Committee on the Judiciary. The resolution is brief, and I should also like to have it read.

The resolution (S.Res. 36) was referred to the Committee on the Judiciary and it was read, as follows:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce, laws were enacted by the Congress which are still in force; and

Whereas notwithstanding the enactment of said laws, monopolies and organizations seeking monopolistic control of industry, trade, commerce, and credit still exist, and the contention is made that some of them are not within the terms of said laws; and

Whereas it is believed that said laws should be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore, be it

*Resolved*, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation for the purpose of determining what, if any, legislation is required to strengthen and extend the provisions of said laws.

The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-third and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### COLUMBIA AND LOWER WILLAMETTE RIVERS, OREG.

Mr. DILL submitted the following resolution (S.Res. 37), which was referred to the Committee on Commerce:

*Resolved*, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act approved June 13, 1902, be, and is hereby, requested to review the report on Columbia and lower Willamette Rivers between Portland, Oreg., and the sea, submitted in House Document No. 195, Seventieth Congress, first session, with a view to determining whether modification is advisable to the extent of improving Cathlamet channel.

#### HEARINGS BEFORE THE COMMITTEE ON IMMIGRATION

Mr. COOLIDGE submitted the following resolution (S. Res. 38), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Immigration, or any subcommittee thereof, hereby is authorized during the Seventy-third Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof



to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. KENDRICK submitted the following resolution (S. Res. 39), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-third Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate a message from the President of the United States submitting sundry nominations in the Regular Army, which were referred to the Committee on Military Affairs.

(For nominations this day received see the end of Senate proceedings.)

#### PROGRAM OF DEMOCRATIC PARTY

Mr. HARRISON. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the senior Senator from Arkansas [Mr. ROBINSON] at the Brooklyn Academy of Music, Brooklyn, N.Y., on March 19, on the subject Does the Democratic Party Program Hold Out Any Substantial Hope for the American People?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### DOES THE DEMOCRATIC PARTY PROGRAM HOLD OUT ANY SUBSTANTIAL HOPE FOR THE AMERICAN PEOPLE?

Two factors—confidence and leadership—are paramount in any discussion of what the country may have in the Democratic program. The Democratic Party shares the first attribute with the Nation as a whole as the result of the positive action of the past 2 weeks, and the steps which have restored confidence have demonstrated leadership such as this country has not experienced since the Wilson administration.

Let me address myself with a great share of the national confidence which we have seen so miraculously restored to the subject which has been assigned to me. The word "miraculous" is used with full knowledge of its import, for we can all remember that 2 weeks ago there was no public confidence. This Nation has passed through stormy periods. There have been many times, both in peace and in war, when the outlook has been dark, but surely we were never under such a cloud as that which shrouded the close of the previous administration.

Then we had panic in a national sense. More than 100,000,000 people were in the grip of anxiety and alarm, a situation as terrible in its implications and possible consequences as any that has ever confronted us. No parallel exists in the history of the United States, for never before had the people through lack of courage come so close to pulling down the structure erected in this country during a period of 150 years. Our greatest national asset—courage—had been temporarily superseded by fear. Millions of persons were, through their individual actions, rushing toward the destruction which they were so rapidly bringing about.

It is, I know, a black picture but not blacker than the facts justify. Inaction, ineptitude, and a lack of leadership had worked relentlessly and irresistibly against pride in government, faith in our institutions, and hope of the future. Bewildered as so many of our citizens already were by the oppression of economic forces over which they had no control and against which they could not even fight for the right to work, a policy of negation in high places only served to accentuate the growing uneasiness which spread through the country.

Two short weeks have passed and the poison which so recently saturated our financial, industrial, and governmental bloodstream already has been counteracted to a great degree. The economic wounds which lay wide open have been cauterized and are healing with a rapidity that indicates the presence of a healthy condition beneath, which only needs an opportunity to reassert itself for the Nation to be on the way to recovery.

Pessimism has given way to idealism of the sort that we have not experienced since the World War. The people have found in President Roosevelt a leader, who through his wisdom and courage has revitalized their spirit and renewed their faith. They, as a whole, are ready to follow the paths on which he sets their feet unflinching and unafraid.

It must, therefore, have been with a sense of prophecy that the President in his inaugural address said:

"If I read the temper of our people correctly, we now realize as we have never realized before our interdependence on each other; that we cannot merely take, but we must give as well; that if we

are to go forward, we must serve as a trained and loyal army willing to sacrifice for the good of a common discipline, because without such discipline no progress is made, no leadership becomes effective. We are, I know, ready and willing to submit our lives and property to such discipline because it makes possible the leadership which aims at a larger good. This I propose to offer, pledging that the larger purposes will bind upon us all as a sacred obligation with a unity of duty hitherto evoked only in time of armed strife."

No more concise yet accurate estimate of the situation could have been expressed. Words, however, were not enough. Action was required, and action was quickly forthcoming. It is not necessary for me to expatiate on what was done. The President by proclamation and by word of mouth has kept the country advised of every step that he has taken. Approval is written deep in the hearts and minds of every citizen. Partisanship has been submerged in Americanism. For whatever the future may bring, and there is no reason to doubt the outcome, we are as certainly a united people now as was ever the case in time of war. Despair has been lifted and we are prepared to fight until victory has been won.

There was ample evidence of this new spirit earlier this week in virtually every city in the land when our banking system began to return to its normal functions. The positive and affirmative action of the previous 10 days gave renewed vitality to our credit structure. Persons from every station in life restored to the normal channels of finance the money which but a short while before they had been afraid to trust to any but their own keeping. No greater or more effective demonstration of the President's statement "that if we are to go forward we must serve as a trained and loyal army" could have been given.

The country gave this expression of confidence because in their new President the people believe they have a strong beacon of light at Washington. He has already added to the reputation which he took with him into the White House. He has acted with promptitude and vigor. Even the banking moratorium which he proclaimed, with its incidental difficulties and hardships, came from him with a ring of confidence. Instead of alarming the country, it seemed to cheer it up. From his fresh mind and resolute utterance the people accepted with great calm and fine spirit what would have seriously upset them if it had been set forth by a dying administration.

More important still is the fact that the President by his actions has made possible the reformation and reconstruction of our banking system. Matters had reached a point requiring more than temporary palliatives when he took the oath of office. Recent testimony had shown physical and moral deficiencies in our financial structure. It had proven that men whose probity had been considered beyond question had not adhered to the ordinary ethical standards in their use of depositors' funds for their own purposes. It had been demonstrated that in some instances there had been no hesitation in passing off on the public securities known to be of doubtful or questionable worth.

The country demands a change in the system that permits such practices. Intelligent and comprehensive banking reform is the need of the hour. The President has proposed, and the Congress has approved, the initial steps. Banks prepared to perform the functions for which they were established have been reopened or are being prepared for such action. Depositors have been assured that they may exchange their credits with the banks for currency with governmental backing. Hoarding has been abandoned. This, however, is not enough. Public opinion calls for additional action to make sure that what has so recently taken place cannot happen again. Legislation must be adopted which will assure safety to every depositor against the waste of his funds in speculation, and at the same time enable our banks to serve without threat of public panic as incident to trade and commerce. It is my conviction and belief that such legislation will be in the early future enacted. In that fulfillment we have hope of a sound banking system.

The restoration and cure of the Nation's private financial structure will not take care of the equally important corollary—revision downward of governmental expenses. It is only too true that our private extravagances were matched in our national expenditures during the era of feverish prosperity through which we passed after the war. Political agencies, local, State, and Federal, took too little thought of tomorrow in the glamor of the day. We all know from personal experience that there is no sadder and more difficult task than that of adjusting ourselves to a reduced income. Yet governments can no more live beyond their means than individuals, without incurring the same risk of bankruptcy. National credit, supported by even such limitless resources as those we possess, can be stretched to the breaking point.

The Democratic Party has chosen, and made, I believe, a wise decision, to place in the hands of the President the power and authority to bring about once more the balance between Federal income and outgo so necessary to national financial stability. This action is in no sense a dictatorship unless it be one of reason. It is no surrender of the power vested in the Congress. It resembles more nearly the action which the legislative branch of the Government has taken before in time of war—action equally necessary in emergencies like the present. Who is there who will dispute that our present emergency is as great as any that we ever faced in time of war?

The checks and balances with which our Government was provided were especially designed for peaceful and normal times. The emergencies through which we have passed could not all be



anticipated by our forbears. They could not even foresee that the time would come when our Congress would consist of 531 men and women representing as many contrasting and varying viewpoints. Legislative machinery, like the mills of God, grind slowly. Normally that is a good thing. In abnormal times there is need for speed of action, for centralized authority, and for a disregard of local and sectional opposition so often unavoidable in congressional consideration.

It may be suggested that Congress in due time might be able to do all of the things which we have now intrusted to the Chief Executive and I will not dispute that statement. There is, however, grave doubt whether it could be done with the same even justice and dispatch, and both are essential in the present emergency. The conflict of local pressure and individual opinion is not always easy to overcome. Zealous advocates are reluctant to compose their ideas with those who fail to agree with them. All of these factors militate not only against an orderly and satisfactory consideration of the problem but are the certain enemies of speedy action.

There is, moreover, on the Congress the pressure of the various organized blocs who, because of selfish aims, fail to view the present situation in the national perspective so essential to our joint welfare. There must, if our efforts toward balancing the Budget are to succeed, be an end to the granting of their demands, as well as a reduction in the favors which have already been extended. This is neither an easy nor a pleasant task. It is in many instances one beyond the individual member, who because of circumstances in his particular section of the country believes sincerely and honestly that there must be an exception made in a matter which to him appears so vital.

It was demonstrated during the last session of the Congress how difficult it is even to obtain effective cooperation looking toward economy in government from such a small body of men as the President's Cabinet. In virtually every instance in which these Government officials appeared before either branch of Congress they favored economy in the abstract but not in the concrete when applied to their departments. The records of congressional hearings are full of evidence to substantiate this statement. Heads of Government departments once adjusted to the routine of their divisions become blind to duplication or overexpansion in their own domain, but remain fully alive to the economies which others might make.

The problem that confronts us cannot be faced in any such spirit or under any such handicaps. The necessity with which we have to deal is national. It must be considered and solved from the standpoint of the Nation as a whole, its solvency, and its future. There must be a final arbiter between conflicting interests and selfish motives. One man, justly and fairly advised, acting with honesty, wisdom, and directness, situated at the center of this governmental maze and cognizant of all its problems, can more nearly reach an exact solution of a problem involving administrative details, who, in the heat of conflicting theories, may force only compromises inadequate in scope and accomplishment.

It is my conviction—and I am convinced that this conviction is shared by millions of my countrymen—that there is more than hope in the action which the Congress has taken in complying with the President's suggestion that he be given the power to effect the economies which we must have through the application of general principles clearly defined by law. There is promise that we shall reach the objective—balancing of the Federal Budget—so sorely needed and so grievously and dangerously delayed by the previous administration. The day of this fulfillment cannot come too soon.

It seems in fact that it is to fulfillment rather than to hope that I might better address myself. This statement is prompted not only because of the quick and decisive action of the past 2 weeks but also because of the way in which the Democratic Party since its convention has demonstrated determination to carry out the pledges of its platform. Without the slightest intention of disrespect, one may recall the witticism that political platforms, as a rule, are adopted only to be forgotten. There have been numerous occasions certainly when this has proved true. The very fact that party declarations year after year have carried the same old words and phrases evidences the general futility of such documents.

This cannot be said, however, of the platform which the Democrats adopted at Chicago last year and on which President Roosevelt and Vice President Garner went to the country. Already more of its declarations have been enacted into law than ever before in so short a time in my recollection, and I venture to say in the history of the United States.

Let your recollection be refreshed on some of these points. The very first affirmative statement in the Democratic platform is:

"We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance to accomplish a saving of not less than 25 percent in the cost of Federal Government, and we call on the Democratic Party in the States to make a zealous effort to achieve a proportionate result."

It is my recollection, and the record of the last campaign will bear this out, that the opponents of the Democratic Party scoffed at and ridiculed this statement of policy. Orators of the opposition were loud and vigorous in their declarations that it could not be done. They accused the Democratic Party of willful misrepresentation in even advancing such a suggestion. Our opponents may be credited with sincerity, for they did nothing to bring about any such result. They chose merely to make the dis-

cussion academic. A Democratic President of the United States, supported by a Democratic Congress and by many Republicans in both Houses, has within 2 short weeks demonstrated that economies can be effected, bureaus can be abolished, consolidations brought about, and that the promised reduction in governmental expenditures consists of more than idle words. Already reductions exceeding \$500,000,000 have been assured in the annual Budget.

The Democratic platform promised further, and I quote again, "We advocate a sound currency to be preserved at all hazards." Political potshots were taken at this declaration throughout the campaign. There was no one, either Democrat or Republican, who realized then how soon that statement would be put to the most severe test ever known in the history of this country. The Government was face to face with the issue when the new President took office. The pressure for an inflated fiat national currency was great. Many in their pessimism and haste did not believe that any other expedient would prove adequate. The President and the Secretary of the Treasury refused to be stamped. They made use instead of the machinery of the Federal Reserve System, the product of a previous Democratic administration. Designed as it was to expand our currency when necessity arose and contract it when that need had passed, the Federal Reserve System with added provisions of law proved equal to the emergency just as it enabled us to finance the World War. It is providing the sound currency which was required to reopen our banks and rebuild our financial structure.

In this connection, remember what President Roosevelt said last Sunday:

"This currency is not fiat currency," he asserted in his radio address. "It is issued only on adequate security—and every good bank has an abundance of such security."

The next section of the Democratic platform to which you are referred is the most prophetic in that entire statement of principles. I ask your indulgence while I read it:

"We advocate," the platform said, "protection of the investing public by requiring to be filed with the Government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers."

"Regulation to the full extent of Federal power of—

"(a) Holding companies which sell securities in interstate commerce;

"(b) Rates of utility companies operating across State lines; and

"(c) Exchanges in securities and commodities."

"We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation, to the detriment of local credits."

"The severance of affiliated security companies from and the divorce of the investment banking business from commercial banks and further restriction of Federal Reserve banks in permitting the use of Federal Reserve facilities for speculative purposes."

This plank in the platform was drawn, if you will recall, before the country had been shocked by the disclosures, which substantiate not only every statement made in it but make evident that some such course must be followed if we are to reestablish public trust and confidence in our banking institutions.

This is not merely my opinion, either. Within the past 2 weeks the president of the largest bank in the United States has advocated that the financial world itself adopt many of these proposals and others which are more drastic in the effect that they will have on the future banking history of the United States. I know of no instance in which a political party has judged so soundly and recommended so wisely the way out of an existing difficulty. Had the party which exercised the power and authority of government for the previous 12 years been willing to take even some of the suggested steps, we might have been spared the 10 days of travail through which we have just passed and the necessity for the strong medicine which we have been forced to take. In this instance there can be no one to challenge the soundness of the Democratic viewpoint, and there will be, I feel sure, no obstruction to the remedial measures the Democratic platform suggested.

Let me turn once more to the Democratic platform. With respect to the treatment of veterans that document said:

"We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents."

The justice of that position, which by the action of the President and the Congress will soon be put into practical effect, is obvious. This Government has not and never will neglect those who in time of national peril have sacrificed their future in behalf of the Nation. It cannot, however, afford to compensate those who as members of the Military Establishment have suffered no greater injury or deprivation than those who through force of circumstance have served their country in some other fashion. No nation's credit is so inexhaustible that it can make public charges of those it has called upon to protect their own homes and liberties. No nation is so poor or hard-hearted as to deny a single man compensation for wounds suffered on the field of battle or elsewhere in the line of public duty.

The realization of these facts has been driven home to the veterans of our wars. There is a growing appreciation of the fact



that the national welfare demands sacrifices commensurate with those which we made in time of war. Justice, as is now contemplated, is more than this, for it entails no sacrifice on the part of the worthy, no neglect of the deserving, no suffering by the war wounded.

I want to make one last reference to the contents of the Democratic platform. Let me refresh your memories on its prohibition plank. It said:

"We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

"We demand that the Federal Government effectively exercise its power to enable the States to protect themselves against importation of intoxicating liquors in violation of their laws.

"Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue."

Our opponents brought against this declaration the accusation that we were insincere and endeavoring to deceive the people of the United States. My reply is to ask where the deception rested. The repeal amendment is already before the States. Provisions for the calling of conventions have been adopted by numerous State legislatures. The entire question, which for more than a decade has vexed and perplexed the Nation, is before the people, who have a right to say what our attitude toward it shall be in the future. More important still, the proposal which has been made follows in form and in substance the Democratic platform plank. The constitutional amendment is an almost absolute transcript of that declaration, and it was transferred from the platform to the people in 7 months. The more recent action on the beer bill only serves to emphasize the intention of the Democratic Party to put its promises into effect. Again I say that I know of no other instance in the history of American politics where such celerity and dispatch have been shown in the carrying out of a platform pledge.

Impressive as this record is, it by no means embraces in detail the task that is before us on the long and what may seem at times the slow process of bringing back the day when we shall all be privileged once more to enjoy the right to work and obtain for our families the necessities of normal existence. There are other problems to be considered and faced. With many of these, notably relief for agriculture and diminution of unemployment, the administration has already come to grips. President Roosevelt, despite the pressure of the problems he has already attacked, has recommended to the Congress measures dealing with both these problems. Their speedy enactment with such amendments as be deemed necessary appears to be certain. It is not imposing on the credulity of my listeners to say that the record which the Democratic Party has made to date is evidence if not guaranty of the fact that his proposals will receive consideration, support, and action from the two legislative branches of the Government. The Congress is in a mood to act quickly for the common good.

In order to gear the legislative machinery more accurately with the times you may have already noticed that the Democratic majorities in both the Senate and the House are operating under the rule of caucus. In this the representatives of the people have, as the President has already done, reverted to the theories which we have found so useful heretofore when this Nation has been faced by war. The caucus system does not mean a surrender of conviction or principle. It does eliminate the opportunity for obstruction and time-wasting delay. There are few questions which, when considered within the party, do not lend themselves to agreement in form and very often in detail. In times such as the present the necessity for such unity of action is greater than for obstinate individual opinion. The caucus system gives us that, remembering always that a Member bound by a pledge to his constituents or conscientious convictions may be released from caucus restrictions.

What should interest the country is that the Democrats in Congress have made it possible to coordinate the legislative and administrative branches of the Government into an instrument responsive to the changing situation which confronts us. Any other course under the present circumstances would be indefensible and merit the condemnation of every man and woman whose spirits have been raised by the transformation which straight thinking and prompt action since the 4th of March have wrought on a sorely harassed and depressed country.

It appears to me to be evident that if we are to sustain the faith which already is spread through the land and build upon that hope of a future which will mean to us and those who will follow us a life free of fear and reasonably devoid of worry we must pursue the path on which the Democratic Party is advancing. We have gone a good distance up the road, but we have not reached the goal. We have, however, already demonstrated the fallacy of those statements made a few months ago that a change of administration under existing conditions would mean that months would have to pass before the new officials and the new Congress could begin to function successfully in their new responsibility.

More has been done in the past 2 weeks than at any other similar period in our history. Momentarily the President is the

mainspring of all activity; but let me assure you that around his council table are seated men of brains and vision, who are but waiting for a subsidence of the present emergency to present further and more detailed plans to assist in the progress of the Nation.

Patriotic Republican leaders in both Houses of the Congress have shared in the responsibility for quick and decisive legislation.

It is in reconstruction that our hopes lie. We must rebuild the morale of the people as well as our shattered economic system. It is too much to expect that all of the proposals to that end will meet the wishes of their proponents. It is not to be anticipated that we shall have again a situation such as existed in the fall of 1929, when the Nation as a whole thought that jointly and severally we possessed the Midas touch and that we had entered an era in which wealth was inexhaustible and prosperity was above and beyond the natural forces which have governed man's existence in all the ages of this world's history. If that is your hope and expectation, no force on earth can satisfy your desires.

What we may expect, and what the Democratic Party offers you, is an opportunity to change the state of chaos through which we have passed into a healthy existence. It plans to revivify the buying power of the Nation so that all—the humblest wage earner and the greatest industry—may share through the cooperation of labor and capital in the development of the manifold resources of this land. It aims to protect those who honestly and manfully are attempting to retain the material possessions that came into their keeping at a time when it was difficult to count the future cost of the obligations for which they had made themselves liable.

These are the definite objectives to which we are committed. They comprehend the essentials of reform of the present situation. They are the hopes for the fulfillment of which you may look to the Democratic Party. You will pardon me for reverting once again to the Democratic platform. In the preamble of that document you will find the following paragraph:

"The only hope for improving present conditions, restoring employment, affording permanent relief to the people, and bringing the Nation back to the proud position of domestic happiness and of financial, industrial, agricultural, and commercial leadership in the world lies in a drastic change in economic governmental policies."

That change—the "new deal," if you prefer—has begun. How auspicious a start it has had it is needless for me to say. The Nation's press only reflects the psychology of leadership and determination which the Democratic Party, through its leader in the White House, has distributed throughout every State in the Union and in the breast of every citizen in the land.

We have the leadership. We have the confidence and are developing the program. You, my hearers, must have faith. Given that, we cannot help but move forward. The day is not far distant when the period we are living through will be left for historians to describe as still another tribute to the imperishable and unconquerable determination of the American people to triumph over obstacles and to refuse to admit defeat.

If you sustain the faith that is in your President and which the Democrats in Congress have in him, we may all look to the future without misgivings and with the certainty that better times will come.

#### OPERATION OF ECONOMY LAW

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered over a Nation-wide radio hook-up last evening by the senior Senator from Mississippi [Mr. HARRISON] on the subject of the operations of the so-called "economy law" recently enacted.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Tonight I am going to try to explain what a balanced budget is, why it is necessary, and the steps which have been taken in less than 2 weeks to accomplish it.

A balanced budget means no more and no less than living within one's income, bringing one's expenditures into balance with one's revenues. This is nothing new to Americans. We all, in our domestic lives, do this very thing. We balance our domestic budget. It is no less important that governments balance their budgets, that they bring their expenditures into equilibrium with their revenues. I say this is no less important than in our domestic lives, because your life and mine in large measure depend for their fullness upon the preservation of the credit of your Government. The security of the deposits which you have in banks rests upon the credit of your Government. The validity of your insurance policies rests upon the credit of this Government. In some measure the security of your employment rests upon the credit of the United States Government. In short, the welfare of every American rests upon the credit of the United States.

During the first year of the depression the deficit amounted to almost \$500,000,000. During the second year our governmental expenditures exceeded our revenues by almost \$2,500,000,000. During the third year the expenditures will exceed our revenues by more than \$1,000,000,000. This makes 3 continuous years in which we have piled deficit upon deficit to the extent of almost \$4,500,000,000.



At the same time the total net increase in our national debt will have increased over the same period of time in the amount of more than \$5,000,000,000. Nor is this all. It is conservatively estimated that the deficit for the fiscal year 1933 will approximate \$1,000,000,000.

This situation cannot be ignored. It is a grim reality. It would not be so serious were our national income at its normal level, but, coincident with the accumulation of these great deficits, our national income has steadily diminished. The revenues have likewise steadily diminished. The expenditures have remained constant or have increased. By reason of the fact that our national income was falling at the time our national expenditures were rising, these deficits were inevitable, and, what is more, the previous absence of a determined effort to eliminate them had aroused a suspicion that the expenditures of the Government would not be brought into balance with its revenues. The credit of the United States was hanging in the balance.

It must, therefore, be clear to you that these large peace-time deficits, the largest ever experienced in the history of the world, are having a profound effect on the safety of our economic order and upon the happiness and fullness of our lives. In large measure, the general suspension of bank payments which we experienced, and out of which I hope we have successfully emerged, can be traced to the policy of continuously living beyond our governmental income. You know, at first hand and by experience, the paralysis, the hardships entailed and resulting from such a general banking collapse. It must, therefore, be clear to you that the fiscal affairs of your Government should be put in order, that a successful accomplishment of this task has a profound effect upon your lives.

An approach to the task may be made in one of two ways: Either through the imposition of new and substantial taxes, or by drastic retrenchment. One billion dollars, on a falling national income, is a stupendous sum of money to raise by new levies. Our people are already overtaxed. The farmer is carrying an insupportable burden. The merchant is dragged down by the sheer weight of taxes. The industrialist is compelled to restrict his production, to put men out of jobs by reason of the tax burden he is carrying. It is not wise, therefore, in the interests of recovery, if it can be avoided, to increase the levies on you. It was only last year that additional taxes were imposed to the amount of more than 1,200,000,000. And, more than that, there is some question as to whether, even if the additional taxes were imposed, they would provide sufficient revenue to accomplish the task; and so, therefore, retrenchment—drastic economy—is the only way in which economic chaos can be avoided. It is for these reasons that immediate action was taken. The bill to maintain the credit of the United States Government, otherwise known as the "economy bill" was the form which that action took.

It dealt with three things: (1) Subject to certain principles which were laid down in it, it authorized the President to make readjustments in veterans' benefits; (2) it directed the President to apply a cost-of-living standard to the compensation of the employees of your Government and to reduce their compensation correspondingly; and (3) it amended certain provisions of existing law giving the President the authority to reorganize the activities of your Government and to eliminate unnecessary agencies.

For a few minutes I propose to deal with each one of these three things.

During the course of the last 10 years, when money was plentiful, when the revenues of the Government were great and all of us were riding on a wave of extravagance, veterans' legislation had been enacted by Congress which imposed not only a present staggering burden upon the Treasury, and therefore upon you, but which also imposed a cost which, projected 20 years into the future, would have absorbed all, and more of the revenues which the Government derived during boom days on account of the income-tax receipts. This was the effect of these laws. What they actually did, quite irrespective of their financial consequences, was to permit veterans who had no disability of service origin, many of whom had been in the Army but for a very short time, thousands of whom had never been in combat with the enemy, to draw substantial monthly cash benefits from the Treasury of the United States, and therefore from you.

The provisions of the economy act having to do with veterans' benefits will restore the just principle of granting pensions to those who made a physical sacrifice for the security of our country. It will not strike from the rolls those men who suffered a disability in the service of their country. It will not injure the man who was wounded or who incurred a disease while following the flag. On the contrary, it protects these men. It makes the pension roll a roll of honor, a roll on which a man can be proud to have his name listed. This is the effect of the veterans' provision of the economy bill.

It is true that the powers granted in that legislation to the President were many, broad, and far-reaching. The regulations that he is to make cover a wide field and will affect millions. But the Congress felt, and I am sure the country feels, that the keen sense of fairness and justice possessed by the President will direct his course, and whatever his conclusions may be, they will be based upon that fine and humane impulse that has moved him throughout his public career.

With respect to that portion of the act which deals with the compensation paid to the employees of the Government several things were provided for.

First, there are no exemptions of any sort or description. Everyone from the highest to the lowest makes his contribution to the maintenance of the credit of your Government.

Secondly, it defines that contribution in the following way: It provides for a determination of the cost of living during the last half of the year 1928. It then provides for a determination of the cost of living during the first half of this year. The percentage of decline in cost of living as between the first half of this year and the last half of 1928 is the percentage of reduction which will be applied to the compensation of employees of your Government.

It then provides that this determination of the percentage decline in the cost of living shall be made every 6 months, and that the percentage so determined shall be applied to the compensation of Federal employees for the following 6 months. There is nothing harsh or unfair about this provision. The cost of living throughout the United States has fallen. We all have sustained very substantial reductions in our income, and it is only fair that the employees of the United States Government, in the interest of the credit of our Government, sustain some reduction in their income.

The act provides that in no event shall the reduction exceed 15 percent of the salaries as they were during the year ending June 30, 1931. It provides that there shall be no pyramiding of cuts. If the survey should reveal an increased cost of living, the President shall order to that extent increases in governmental salaries. It treats all alike with fairness and equity.

The third portion of the bill, having to do with reorganization of the agencies of the Government and the elimination of unnecessary functions, merely permits a speeding up of the economies which may be effected in this way, so that the retrenchments incident to the reorganization may be felt as soon as possible in this fiscal year and in the next.

Under the provisions of the bill to maintain the credit of the United States approximately \$500,000,000 can be saved. Under the reorganization and elimination powers which the President now has approximately \$150,000,000 in economies can be effected.

In addition, there are other items of expenditures which can be reduced in the approximate amount of \$100,000,000. It is conservatively estimated, therefore, that retrenchment alone will save approximately \$750,000,000 for the next fiscal year. This leaves still a deficit of approximately \$250,000,000. To meet that deficit the Senate today adopted the conference report on the beer bill. The House will adopt it tomorrow, thus assuring to the Government a new and immediate source of revenue to the amount estimated at a minimum of \$150,000,000 annually. Within a few days the Congress will continue for another year the 1-cent tax per gallon on gasoline, which yields in revenue \$137,000,000. Thus, with economies in the amount of \$750,000,000, the beer tax and the gasoline tax, in all reasonable expectancy, the indicated deficit for the fiscal year 1934 has been eliminated. There may be some difference between actual revenues and estimated revenues; but as nearly as it can now be stated, the action of the Congress during the last 2 weeks has brought our expenditures for the fiscal year 1934 into equilibrium with our revenues. The goal, therefore, of a balanced Budget is within sight. The credit of the United States has been made secure.

In 2 weeks President Roosevelt and the Congress have accomplished what previous Congresses have been attempting to do for 3 years. The President had a plan and has acted courageously and promptly. It has been refreshing to witness the fine cooperation and splendid readiness upon the part of the Members of both Houses of Congress in carrying forward the ideas into the enactment of law. In the Congress, throughout the discussion and consideration of this measure, there has been a broad and unselfish spirit to meet the situation and solve these delicate problems without thought of selfish political interest or party advantage.

We have passed through trying and hectic days in Congress since Mr. Roosevelt became President. It is not an easy matter to vote to take away from large groups of people something that they have been receiving. It is not a pleasant task to reduce wages. It takes courage and a fine sense of real Americanism to do it. But it has been done, and I am delighted tonight, as a Democrat, to pay my tribute to the Republican Members of the House of Representatives and the Senate, who have risen above party consideration and cooperated in the finest spirit in this great crisis of our country's history.

I have just left a conference at the White House. In that conference, aside from Democratic leaders, there sat with the President such distinguished Republicans as Representative SNELL, the Republican leader of the House of Representatives; Senator McNARY, the Republican leader of the Senate; and such progressive stalwarts as Senator NORRIS and Senator BORAH.

My heart was thrilled by the fine sentiment of gratitude and appreciation expressed to these men and to the members of the Republican Party in the Congress by the President for their splendid cooperation and support of the emergency legislation.

It may be, when history is written, the happenings of the last 14 days will be of as great significance in the annals of western civilization as any other like period in the history of the world, for it may mean a security, a rock upon which we can stand, a foundation to recovery, a tonic that will restore confidence and give renewed vigor to the economic life of our country.



## PROTECTION OF WATERSHEDS IN NATIONAL FORESTS

Mr. KING. Mr. President, I should like to have the attention of the Senator from Oregon [Mr. McNARY] for just a moment. Yesterday I introduced a bill, but, in view of the measure which was introduced this morning, I am not sure whether the bill which I introduced should remain with the Committee on Agriculture and Forestry, to which it was referred, or should go to the Committee on Education and Labor. I call the attention of the able Senator from Oregon to the bill because of his well-known activity and his splendid services in protecting the forests of the United States.

The bill, among other things, provides that—

The Secretary of Agriculture is authorized and directed to reforest, revegetate, or otherwise safeguard and improve the water-impounding capacity of national forest lands on watersheds within national forests, and, in cooperation with any State or Territory or any political subdivision or district thereof, of lands not in Government ownership either within national forests or on watersheds within any mountain range or other natural topographic or hydrographic division of which a national forest is a part; for the purpose of (1) preventing soil erosion; (2) preventing floods and safeguarding life; (3) establishing, preserving, and renewing forest growth; and (4) conserving water, from snow and rainfall, in the natural reservoirs.

Then there are some other provisions.

I will ask the Senator from Oregon, whose general knowledge of this subject, perhaps, is superior to that of any other Member of the Senate, whether in his opinion this bill has been appropriately referred to the Committee on Agriculture and Forestry and whether it will properly coordinate with measures which the Senator from Oregon heretofore has had enacted into law, or whether the bill ought to be referred to the Committee on Education and Labor, in connection with the measure introduced this morning by the Senator from Arkansas [Mr. ROBINSON].

Mr. McNARY. Mr. President, answering the inquiry of the Senator from Utah, I will say that the subject matter contained in this bill is wholly within the jurisdiction of the Committee on Agriculture and Forestry and the bill was properly referred to that committee. The committee has in the past given the subject covered by the bill very much study. The only reason the bill introduced by the Senator from Arkansas was referred to the Committee on Education and Labor was that it involves unemployment, although, incidentally, it does treat of reforestation and roads. I have no doubt, however, that the bill introduced by the Senator from Utah to which he refers was properly referred to the Committee on Agriculture and Forestry.

Mr. KING. I am very glad the Senator from Oregon takes that view, and I sincerely hope that the committee will give prompt consideration to the measure.

## COMMITTEE SERVICE

Mr. ROBINSON of Arkansas. On behalf of the majority I ask that the Senator from Montana [Mr. ERICKSON] be assigned to the following committees:

Mines and Mining, Education and Labor, Post Offices and Post Roads, and Public Lands and Surveys.

The VICE PRESIDENT. Without objection, the assignments will be made.

## LETTER BY CHARLES S. THOMAS ON THE REMONETIZATION OF SILVER

Mr. THOMAS of Utah. Mr. President, I have here a communication from former Senator Charles S. Thomas, of Colorado, who requests that it be inserted in the RECORD. I therefore ask unanimous consent that that be done.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

## THOMAS PLEADS FOR SILVER IN LETTER TO ROOSEVELT

TO PRESIDENT ROOSEVELT:

The interval between your election and inaugural has been fraught with successive disasters to the economic structure. The Reconstruction Finance Corporation, approved January 22, 1932, and in active operation since that time, has aggravated the crisis which it was designed to relieve.

Receiverships, bank failures, withdrawal of deposits, shrinking securities, and depressed markets have persisted in increasing numbers and over spreading areas. Great financial institutions hitherto beyond suspicion and carrying billions of deposits have within the current month been suspended by Executive orders

and summary legislative decrees as the alternative to speedy ruin. A fitting sequel to the terrible situation comes with the disclosures of rotten banks and bankers now unfolding before the Senate Committee on Banking and Currency, which have weakened and probably undermined all confidence in the morale and integrity of those dominating the financial world, and who, as always, champion their single standard of money as God's best gift to man.

## CONCEAL TERRIBLE RESULTS

And, Mr. President, our financial masters tell the country, with full confidence, that theirs is the declared policy of the new administration whatever else betides. They point to your choice of Senator GLASS for Secretary of the Treasury, notwithstanding his lawless assault upon the silver metal in 1920, and falling him, to the selection of a man after his own heart who will use the power of his great office to continue a monetary system long a demonstrated economic failure, which has finally involved the world in disaster.

They tell you falsely but persistently that bimetalism and inflation mean the same thing, and that inflation beggars the Nation by destroying its substance. But they conceal the more terrible results of currency famine, now widely prevalent. For buried gold is ever linked with hidden money. Hence we starve in the midst of plenty. Such a condition must and should result in the dangerous increase of paper money; a practice easy to begin but difficult either to abandon or restrain.

## COUNSELORS INCONSISTENT

Your economic counselors, Mr. President, have never learned the virtue of consistency. They brand money inflation as a pestilence, but expansion of credit is "their darling virtue", because the value of money grows as their securities multiply. Can you recall any protest or opposition of capitalism to the inflation of gold securities? Within the decade they have searched the world for them and dumped them on an easy-going investing public under conditions which make racketeering respectable. And they will renew the dose when opportunity again permits.

Mr. President, our economic masters have inflated their gold credit until it exceeds 750 to 1, although the demand of 16 to 1 brings shrieks of protest. But what is the universal cause of world depression? Everyone knows. It is its crushing burden of debt, payable in gold, of which our stock would pay less than one third the annual interest at 5 percent, and whose principal will never be paid. Two thirds of it never should be. Through its agency the Kruegers, the Insulls, and their kind have been "financed" ever since gold became the unit of money; and so the new crop will be whenever it appears.

## GOLD COSTLY MYTH

Yet where is the gold standard today? Where has it been since the boom of 1919 was launched? Gold is the scarcest thing on earth. Two nations have grabbed and locked the bulk of it in their vaults. None of them dares to utilize what they have, although its gold has long been a department of French politics. Its coinage has practically ceased. It is a costly myth. The average man has never seen gold in terms of money. But the whole mass of it is, under the curse of the standard, piled on the necks of the people by a fearsome world which shudders at the thought of its union with silver.

Do you realize, Mr. President, why this depression is proof against all efforts to break it? I can tell you in a sentence. It is because the Government will not restore its money to the people. As long as your administration continues to deny them this boon it will be a failure, a mere prolongation of Mr. Hoover's experiment. I am sorely tempted to add that it ought to be. You will shortly participate in an international economic conference, with a view, among other things, of increasing our foreign trade. But, with foreign exchange in its present state, how can you do this? All our competitors, France excepted, have left the gold standard, and it is common knowledge that because of it they possess a tremendous money advantage over us. It gives them a bounty on their export trade, which largely neutralizes any supposed tariff preference we imagine we possess. This advantage will persist until bimetalism appears, and this the gold men have denied to us since they strangled silver.

## MAJORITY FOR BIMETALLISM

I affirm that more than two thirds of your countrymen are for the bimetallic standard. I also affirm that a majority of your support came from men and women who justly condemned Hoover as the willing servant of gold, and they hoped you might relieve them. If you fail them, they are undone.

They and their forebears have been fighting for bimetalism for three generations in vain. They are becoming discouraged by hope long deferred. They will not wait for relief much longer. Their substance has shriveled to the zero point, and their energies are well-nigh exhausted.

If their Government is to remain unchanged, albeit they have placed other rulers and another party in the halls of the mighty, they will be heard from. Keep your gold buried just a little longer, and the bimetallic hosts of the land will substitute another and better system for it, a system as old as humanity, which never was, and never can, become a curse to civilization.

With a deep sentiment of loyalty to our party and to you, Mr. President, I crave your close attention to this last appeal.

C. S. THOMAS.

## RECESS

Mr. ROBINSON of Arkansas. Mr. President, if there be no further business to be transacted at this time, I move



that the Senate take a recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and (at 12 o'clock and 34 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, March 22, 1933, at 12 o'clock meridian.

#### NOMINATIONS

*Executive nominations received by the Senate March 21 (legislative day of Mar. 13), 1933*

##### APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

###### TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Neal Dow Franklin, Infantry (detailed in Judge Advocate General's Department), with rank from July 1, 1932.

###### TO QUARTERMASTER CORPS

Lt. Col. Hugo Ernest Pitz, Coast Artillery Corps (assigned to duty with Quartermaster Corps), with rank from November 10, 1932.

Capt. Roy Crawford Moore, Field Artillery (detailed in Quartermaster Corps), with rank from July 1, 1920.

Capt. Andrew Daniel Hopping, Infantry (detailed in Quartermaster Corps), with rank from August 1, 1932.

First Lt. Ira Kenneth Evans, Infantry (detailed in Quartermaster Corps), with rank from March 1, 1931.

###### TO AIR CORPS

Second Lt. Herbert Charles Gibner, Jr., Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lt. Merrick Hector Truly, Infantry (detailed in Air Corps), with rank from June 11, 1931.

##### PROMOTIONS IN THE REGULAR ARMY

###### MEDICAL CORPS

###### To be captain

First Lt. Cleveland Rex Steward, Medical Corps, from March 5, 1933.

###### CHAPLAINS

###### To be chaplains with the rank of lieutenant colonel

Chaplain Alva Jennings Brasted (major), United States Army, from March 3, 1933.

Chaplain William Andrew Aiken (major), United States Army, from March 3, 1933.

Chaplain Ernest Wetherill Wood (major), United States Army, from March 3, 1933.

###### To be chaplain with the rank of major

Chaplain Herbert Adron Rinard (captain), United States Army, from March 10, 1933.

## HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 21, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Almighty God, bring us nearer to the likeness of the Teacher of Galilee. Above the present-day strife, confusion, and discord, O let us hear Thy voice. In this quiet moment may we all acknowledge the need of a simple faith in our Heavenly Father. May we prove our love of country by self-denial, our patience by smiling away worry, our zeal by our continuous efforts to serve, and let sweetness of temper be a sign of our strength. Holy Spirit, mercifully abide with our Republic. Blessed Lord, be in its highways and hedges, be in its dense centers of human life, be Thou on our frontiers. O be with our whole land, making it a garden of the Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

##### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of

his secretaries, who also informed the House that on the following dates the President approved and signed a joint resolution and bill of the House of the following titles:

On March 17, 1933:

H.J.Res. 75. Joint resolution to provide for certain expenses incident to the first session of the Seventy-third Congress.

On March 20, 1933:

H.R. 2820. An act to maintain the credit of the United States Government.

##### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3341) entitled "An act to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes."

##### MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REFORMATION AND RELIEF OF UNEMPLOYMENT (H.DOC. NO. 6)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Labor and ordered printed:

##### To the Congress:

It is essential to our recovery program that measures immediately be enacted aimed at unemployment relief. A direct attack in this problem suggests three types of legislation.

The first is the enrollment of workers now by the Federal Government for such public employment as can be quickly started and will not interfere with the demand for or the proper standards of normal employment.

The second is grants to States for relief work.

The third extends to a broad public works, labor-creating program.

With reference to the latter I am now studying the many projects suggested and the financial questions involved. I shall make recommendations to the Congress presently.

In regard to grants to States for relief work, I advise you that the remainder of the appropriation of last year will last until May. Therefore, and because a continuance of Federal aid is still a definite necessity for many States, a further appropriation must be made before the end of this special session.

I find a clear need for some simple Federal machinery to coordinate and check these grants of aid. I am, therefore, asking that you establish the office of Federal Relief Administrator, whose duty it will be to scan requests for grants and to check the efficiency and wisdom of their use.

The first of these measures which I have enumerated, however, can and should be immediately enacted. I propose to create a civilian conservation corps to be used in simple work, not interfering with normal employment, and confining itself to forestry, the prevention of soil erosion, flood control, and similar projects. I call your attention to the fact that this type of work is of definite, practical value, not only through the prevention of great present financial loss but also as a means of creating future national wealth. This is brought home by the news we are receiving today of vast damage caused by floods on the Ohio and other rivers.

Control and direction of such work can be carried on by existing machinery of the Departments of Labor, Agriculture, War, and Interior.

I estimate that 250,000 men can be given temporary employment by early summer if you give me authority to proceed within the next 2 weeks.

I ask no new funds at this time. The use of unobligated funds, now appropriated for public works, will be sufficient for several months.

This enterprise is an established part of our national policy. It will conserve our precious natural resources. It will pay dividends to the present and future generations. It will make improvements in National and State domains

which have been largely forgotten in the past few years of industrial development.

More important, however, than the material gains will be the moral and spiritual value of such work. The overwhelming majority of unemployed Americans who are now walking the streets and receiving private or public relief would infinitely prefer to work. We can take a vast army of these unemployed out into healthful surroundings. We can eliminate to some extent at least the threat that enforced idleness brings to spiritual and moral stability. It is not a panacea for all the unemployment but it is an essential step in this emergency. I ask its adoption.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 21, 1933.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

Mr. BLANTON. Mr. Speaker, reserving the right to object, on what subject?

Mr. CELLER. For the purpose of reading into the RECORD and making a brief statement concerning resolutions adopted in New York yesterday concerning excesses now practiced by the Hitler government.

Mr. BLANTON. It is not a wet or dry proposition?

Mr. CELLER. No; of course not.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. DIRKSEN. I object.

#### SWEARING IN OF A MEMBER

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read as follows:

STATE OF GEORGIA,  
SUPERIOR COURT OF WESTERN CIRCUIT,  
Athens, Ga., March 18, 1933.

HON. HENRY T. RAINEY,

Speaker House of Representatives, Washington, D. C.

SIR: In accordance with your designation of me, pursuant to Resolution No. 37, adopted by the House of Representatives, to administer the oath of office to Representative-elect CHARLES H. BRAND, of the Tenth District of Georgia, I have the honor to report that on the 18th day of March, 1933, at the city of Athens, county of Clarke, State of Georgia, I administered the oath of office to Mr. BRAND, form prescribed by section 1757 of the Revised Statutes of the United States, being the form of oath administered to Members of the House of Representatives, to which Mr. BRAND subscribed. I have the honor to be,

Yours respectfully,

BLANTON FORTSON,  
Judge, Superior Courts, Western Circuit of Georgia.

Mr. VINSON of Georgia. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

#### House Resolution 62

Whereas CHARLES H. BRAND, a Representative from the State of Georgia, from the Tenth District thereof, has been unable from sickness to appear in person to be sworn as a Member of this House, but has sworn to and subscribed the oath of office before Judge Blanton Fortson, authorized by resolution of this House to administer the oath, and the said oath of office has been presented in his behalf to the House, and there being no contest or question as to his election: Therefore

Resolved, That the said oath be accepted and received by the House as the oath of office of the said CHARLES H. BRAND as a Member of this House.

The resolution was agreed to.

#### RELIEF OF DISTRESS IN CERTAIN COUNTIES OF CALIFORNIA

Mr. BUCHANAN. Mr. Speaker, I present a conference report on the joint resolution (S.J.Res. 14) authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S.J.Res. 14) authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the first amendment of the House, and agree to the same with an amendment as follows: After the numerals "1933", in the last line of the matter inserted by the House amendment, insert the following: "The aggregate of the loans made under this paragraph shall not exceed \$5,000,000"; and the House agree to the same.

That the Senate agree to the amendment of the House amending the title of the joint resolution.

J. P. BUCHANAN,  
EDWARD T. TAYLOR,  
W. A. AYRES,  
JOHN TABER,  
ROBERT L. BACON,

Managers on the part of the House.

CARTER GLASS,  
KENNETH MCKELLAR,  
FREDERICK HALE,  
HENRY W. KEYES,

Managers on the part of the Senate.

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the Senate Joint Resolution No. 14, authorizing the President of the United States to expend \$5,000,000 to relieve distress in those counties of California which have suffered from the catastrophe of earthquake in the year 1933, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate provided an authorization for the appropriation of \$5,000,000 to be disbursed by the Treasurer of the United States, on order of the President, or by such person, committee, or corporation as the President might designate to administer such fund, to such persons, firms, or corporations as might be found by the President or his designees to be in need of relief or assistance; and further required that the fund should be used for relief of distress in such manner and under such regulations as the President might prescribe, or as might be prescribed with his approval by any person, committee, or corporation designated by him.

The House amended the resolution by striking out all of the Senate matter and inserting in lieu thereof an amendment to the Emergency Relief and Construction Act of 1932 authorizing the Reconstruction Finance Corporation to make loans to nonprofit corporations for the purpose of financing the repair or reconstruction of buildings damaged by earthquake and deemed by the corporation economically useful. The House amendment requires obligations accepted to be collateralized in the case of private property by the obligation of the owner secured by a paramount lien except as to taxes and special assessments, and in the case of public property by the obligations of municipalities, political subdivisions of States, or their public agencies. All loans are required to be fully and adequately secured and no loan can be made after December 31, 1933.

The Senate has accepted the House amendment with an amendment limiting the aggregate amount of the loans to not to exceed \$5,000,000 and has also accepted the House amendment of the title.

J. P. BUCHANAN,  
EDWARD T. TAYLOR,  
W. A. AYRES,  
JOHN TABER,  
ROBERT L. BACON,

Managers on the part of the House.



The SPEAKER. Without objection, the Clerk will read the statement in lieu of the report.

There was no objection.

The Clerk read the statement.

Mr. SNELL. Mr. Speaker, from the reading of the statement, I could not get just exactly what has been agreed to, and I think the chairman of the committee should tell us in a word just what is the agreement.

Mr. BUCHANAN. The agreement is that the Reconstruction Finance Corporation can lend for rehabilitation purposes on adequate security for earthquake damage a total of not exceeding \$5,000,000. The loans are limited to a total of this amount.

Mr. SNELL. That is practically as it passed the House, except there is a limit of \$5,000,000.

Mr. BUCHANAN. It is exactly the same as it passed the House, except a limitation of \$5,000,000 is placed on the loans.

Mr. SNELL. And they are to be loans and not contributions?

Mr. BUCHANAN. Yes.

The conference report was agreed to.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I renew my request to address the House for 10 minutes. The gentleman from Indiana has withdrawn his objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BRITTEN. Reserving the right to object, did I understand the gentleman from New York to say that he was going to address the House on something that occurred in Germany?

Mr. CELLER. No; this occurred in New York City. It refers to a resolution passed by a responsible organization.

Mr. BRITTEN. Does the gentleman seriously suggest that that is more important than the bill that is about to come up, which involves the patronage of his party?

Mr. BLANTON. Well, you have been enjoying it for 12 years.

Mr. BRITTEN. I object.

#### THE BEER BILL

Mr. CULLEN. Mr. Speaker, I call up the conference report on the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 5, 8, 10, 13, 17, 26, 27, 31, 33, 37, 40, 41, 42, and 43.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 7, 9, 11, 12, 14, 15, 16, 18, 19, 20, 21, 24, 25, 28, 29, 30, 32, 34, 35, 36, 38, and 39, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: Strike out the figures "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: Strike out the figures "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: Strike out the figures "3.05" in said amendment and insert "3.2"; and the Senate agree to the same.

HEARTSILL RAGON,  
THOS. H. CULLEN,  
JOHN W. MCCORMACK,  
ALLEN T. TREADWAY,  
HENRY W. WATSON,

*Managers on the part of the House.*

PAT HARRISON,  
WILLIAM H. KING,  
DAVID I. WALSH,  
DAVID A. REED,  
JAMES COUZENS,

*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendments nos. 1, 3, 4, 9, 11, 12, 14, 15, 16, 18, 19, 21, 25, 28, 29, 30, 32, 34, 35, 36, 38, and 39: These amendments include within the bill wines and fruit juices in the same manner and to the same extent as beer. The House recedes.

On amendments nos. 2, 5, 8, 10, 13, 17, 26, 27, 31, 33, and 37: These amendments change the percentage of alcoholic content from 3.2, as provided in the House bill, to 3.05. The Senate recedes.

On amendments nos. 6, 7, 20, 22, and 23: These are technical amendments made necessary by the inclusion in the bill of wines and fruit juices. The House recedes on amendments Nos. 7 and 20 and agrees to amendments Nos. 6, 22, and 23 with amendments making the text conform to the conference action.

On amendment no. 24: This is a change in paragraph number. The House recedes.

On amendment no. 40: This amendment makes it unlawful, subject to fine or imprisonment, to give or sell to persons under 16 any beer, ale, porter, wine, similar fermented malt or vinous liquor, or fruit juice containing not more than 3.05 percent of alcohol by weight. The Senate recedes.

On amendments nos. 41, 42, and 43: These amendments make changes in section numbers. The Senate recedes.

HEARTSILL RAGON,  
THOS. H. CULLEN,  
JOHN W. MCCORMACK,  
ALLEN T. TREADWAY,  
HENRY W. WATSON,

*Managers on the part of the House.*

Mr. CULLEN. Mr. Speaker, in regard to the statement that has just been read and this conference report on H.R. 3341 I desire to say to the House that the Senate receded on the alcoholic content, and agreed to 3.2 percent.

They also recede on the Borah amendment, which relates to serving it to minors under 16 years of age.

The House receded on what is known as the "wine amendment", by which we agreed that wine should be of the same alcoholic content as the beer.

That is all there is in this report, and it was finally adopted unanimously.

Mr. BRITTEN. Will the gentleman yield?

Mr. CULLEN. Yes.

Mr. BRITTEN. As I understand, the tax applies equally to wine and beer.

Mr. CULLEN. Yes; that was pointed out—it would be \$5 a barrel on wine and on beer.



Mr. BRITTEN. I thought that was going to be objected to by the California wine growers, because 3.2 percent is very low alcoholic content for wine.

Mr. CULLEN. The objection did not develop. Mr. Speaker, I have an hour, and I have promised to yield a part of that time to certain gentlemen. [Cries of "Vote! Vote!"]

I am not anxious to use this hour, but I have given my word to the gentleman from Texas that I would yield him time, and I do not want to break it, and I hope the House will bear with me and have patience with the gentleman from Texas.

Mr. BRITTEN. Mr. Speaker, inasmuch as the gentleman from Texas has not spoken to the House on this subject, I think we ought to hear him now. [Laughter.]

Mr. CULLEN. Mr. Speaker, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker and gentlemen, there is no need of being in such a hurry. The future is way out before us, and I am thinking of the future, and that reminds me somewhat of the past.

When I was elected circuit judge of the forty-second judicial district in Texas, which then embraced five large counties, every docket of these counties was crowded and congested. I was elected upon a platform which promised that I would clear these dockets. I carried my district attorney and my court reporter with me from county to county and held court for 8 years, from January 1 until December 31. I held long, tedious day sessions and many night sessions before I cleared those dockets. At Eastland once I had five different juries out at one time deliberating on cases tried.

I tried several hundred felony cases, and in practically every one of those felony cases there was directly, or as the proximate cause, intoxicating liquor.

I tried in the five counties in those 8 years several hundred divorce cases, and I could see in practically every one of those divorce cases directly, or as the proximate cause, intoxicating liquor.

In many of the civil cases I tried—and I tried some of them involving millions of dollars of property—I could see directly or indirectly as a contributing cause that prevented human beings from getting together on the ordinary controversies in life—I could see, directly or indirectly, intoxicating liquor.

I voluntarily left that circuit bench to come to Congress. Naturally I brought with me a feeling of resentment against liquor, which I knew from my judicial experience had brought ruin to so many people and desolation to so many homes. My 8 years' experience on the circuit bench and my experience as a lawyer for 35 years in courthouses has caused me to take an uncompromising stand against intoxicating liquors forever and eternally. I know too much about it.

It is said here, concerning the action of the House and Senate conferees, that the Senate receded on 2 propositions and the House receded on 1. Every recession, however, that was made by the Senate or the House was in favor of intoxicating liquors. Do you get that? The House receded by allowing the Senate to put in an amendment legalizing the sale of wine. The Senate receded and fixed the alcoholic content at 3.2 instead of 3.05 percent. The Senate receded on the Borah amendment, which sought to prevent you from selling intoxicating liquor to little children, to little girls not yet out of the high school, to all children under 16 years of age. When the Senate receded on that proposition, the conferees opened the door of every beer joint in the United States to every little child in and out of every school in any community where beer joints will be opened.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes; I yield to my friend, one of the new Congressmen from Texas, who, I am glad to say, thinks as I do on this subject.

Mr. McFARLANE. Is it not true that in the good old days when we had saloons running wide open, even with

their lawlessness and brazenness they never sought to allow the youth of the land to go into the saloons to buy liquor?

Mr. BLANTON. Of course, that was in the law. They did not do it openly. Children could not come in at the front door. They had to go to the back door. Then little children could not buy intoxicating liquor lawfully, but you are permitting in this bill beer joints to sell intoxicating beer to children lawfully.

Mr. BRITTEN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Oh, I regret that I have not the time. I want the gentleman from Illinois to speak in his own time. We have heard from the gentleman from Illinois [Mr. BRITTEN] so seldom on this subject, that I do want to hear from him, but in his own time. [Laughter.]

Mr. Speaker, I received a letter this morning from a former professor in Harvard University. President Franklin D. Roosevelt, it is asserted, was at one time one of his pupils in Harvard. This man is an expert chemist. His letterhead has engraved at the top "Landon C. Moore, S. B., President (Harvard University and University of London)," and then the following in large engraved letters: "Langdon C. Moore, Inc., established 1907. Analytical and Consulting Chemists and Bacteriologists. The Landon C. Moore Laboratory Building. Post Office Box 1597, Dallas, Tex." He wrote me this letter wholly unsolicited. He is a brother of the late Dr. R. B. Moore, who used to be chief chemist of the Bureau of Mines, and who was the discoverer of the use of helium in dirigibles, and also was one of the world's authorities on radium. Listen to what this man says:

I enclose a copy of extract from the report of the greatest scientific commission ever appointed to study the effect of alcohol on the human system. This was the British commission, and its report is published under the title "Alcohol, Its Action on the Human Organism." This report says that 4 pint bottles of a beverage containing 4 percent alcohol by volume, which is 3.2 by weight, is capable of producing drunkenness in the average man weighing 140 pounds.

[Laughter.]

Well, is not 140 pounds the average weight? Here I am afraid that too many beer drinkers have come in who weigh over 140 pounds. Some claim that beer sent them here. If beer sent them here, I am sure they weigh over 140 pounds. But you are not going to get me away from this scientific report. I quote further from Dr. Landon's letter:

This is the third stage of intoxication. One bottle of this same beer will produce the first stage of intoxication in the average individual. This is really the most dangerous stage in this day of automobiles and fast driving. The person shows no outward signs of intoxication, but his brain activity and his power of moving his arms, etc., is reduced from 10 to 20 percent. This may mean the difference between life and death when driving a car. I can unhesitatingly state that 3.05 percent by weight beer will produce intoxication, and therefore is contrary to the eighteenth amendment.

Mr. Speaker, I desire to put the other half of that letter in, together with certain excerpts I have here, without reading them, and I ask unanimous consent to revise and extend my remarks and to put in the remainder of them without reading them.

The SPEAKER. Is there objection to printing the remainder in the RECORD?

Mr. GOSS. Mr. Speaker, I reserve the right to object. Will the gentleman also put in Professor Henderson's ideas on this subject along with this other?

Mr. BLANTON. I shall put in this British commission's report that this man sent, and let the gentleman put in his own. I do not want to put in something that I do not know anything about.

Mr. BRITTEN. Mr. Speaker, did I understand from the gentleman that the writer of this letter is some inventor in Texas who invented a Texas gas?

Mr. BLANTON. No; he is a brother of another distinguished scientist who was the discoverer of the use of helium in dirigibles and was one of the world's authorities on radium, whom you Republicans had in the Bureau of Mines. You vouched for him, and I am sure he must have been all right.

The SPEAKER. Is there objection?



Mr. SABATH. Mr. Speaker, I reserve the right to object in order to ask a short question. The professor states that a man weighing less than 140 pounds might be affected by taking a beverage containing 3.05 percent of alcohol?

Mr. BLANTON. No; he said that this British commission's report certified that 4 pint bottles of 3.2 beer is capable of producing drunkenness in the average man weighing 140 pounds, and that would be the third stage of intoxication.

Mr. SABATH. A man of that type must be a small man, weighing less than 140 pounds.

Mr. BLANTON. I shall leave the report for what it is worth. It is the scientific conclusion of expert chemists of national and international standing.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. The following, Mr. Speaker, is the whole letter, just as I received it this morning from Dr. Landon:

[Landon C. Moore, S.B., President (Harvard University and University of London), LANDON C. MOORE, INC.

Established 1907, Analytical and Consulting Chemists and Bacteriologists, The Landon C. Moore Laboratory Building, P.O. Box 1597]

DALLAS, TEX., March 18, 1933.

The Honorable TOM BLANTON,  
United States House of Representatives,  
Washington, D.C.

MY DEAR CONGRESSMAN: I see that the United States Senate is insisting on 3.05 percent by weight of alcohol in the beer bill, the grounds for this being that a British commission determined that such alcoholic content in a beverage was nonintoxicating. Whoever gave that information to the Senate Judiciary Committee was, I believe, in error. I have done a lot of research work on this subject personally during the last 38 years, and have kept very close to the work of others in this line. My own opinion, based on scientific investigation, is that the maximum amount of alcohol allowable in a beverage to be classed as non-intoxicating is 2 percent. This is borne out by other investigators.

I enclose copy of extract from the report of the greatest scientific commission ever appointed to study the effect of alcohol on the human system. This was the British commission, and its report is published under the title, "Alcohol, Its Action on the Human Organism." This report says that 4 pint bottles of a beverage containing 4 percent of absolute alcohol by volume (3.2 percent by weight) is capable of producing drunkenness in the average man weighing 140 pounds. This is the third stage of intoxication. One bottle of this same beer will produce the first stage of intoxication in the average individual. This is really the most dangerous stage in this day of automobiles and fast driving. The person shows no outward signs of intoxication but his brain activity and his power of moving his arms, etc., is reduced from 10 to 20 percent. This may mean the difference between life and death when driving a car.

The report says "absolute alcohol", which means 100 percent alcohol. Had it said "alcohol", which is generally meant to be 95 percent absolute alcohol, then the alcoholic content would have been approximately 3.85 percent by volume and 3.05 percent by weight of absolute alcohol. This is where the committee, I believe, got mixed up.

I can unhesitatingly state that 3.05 percent by weight beer will produce intoxication and therefore is contrary to the eighteenth amendment.

Over a year ago I tried to get President Hoover to appoint a commission of American scientists to investigate the percentage permissible under the Constitution. I have tried to get President Roosevelt, who was a student of mine at Harvard, to do the same thing.

I wrote President Roosevelt the other day and urged him to veto the 3.2-percent beer bill and request 2 percent instead. This would comply with the Democratic platform and conform to the Constitution. Also, I suggested that he ask Congress to allow him to appoint such a commission as spoken of above.

A very palatable, nonintoxicating beer can be made with an alcoholic content of 2 percent. This statement is made after consultation with brewers.

I am a brother of the late Dr. R. B. Moore, who used to be chief chemist of the Bureau of Mines and was the discoverer of the use of helium in dirigibles; also one of the world's authorities on radium. For further information about myself I refer you to Senator MORRIS SHEPPARD and Congressman HATTON W. SUMNERS.

Trusting that the above information may be of some value to you, I remain,

Very sincerely yours,

LANDON C. MOORE,  
Box 1647.

I now quote, Mr. Speaker, the extract sent by Dr. Landon from the report of the British commission, which, you will remember, Dr. Landon said was "the greatest scientific com-

mission ever appointed to study the effect of alcohol on the human system", which is as follows, to wit:

#### ALCOHOL—ITS ACTION ON THE HUMAN ORGANISM

##### RELATION OF SYMPTOMS TO AMOUNT OF ALCOHOL IN BLOOD

The next point which we have to consider is how drunkenness is related to the amount of alcohol taken and to the particular sort or sorts of alcoholic beverage drunk. We shall deal first with the question of dose. Alcohol reaches the central nervous system by passing from the blood into the fluid—the cerebrospinal fluid, to give it its technical name—which bathes the brain and the spinal cord as they lie within their lining membranes in the skull and the spine; and the amount of the drug which enters this cerebrospinal fluid is strictly proportional to the amount contained in the blood. From experiments on animals and from observations on the man, it has been found that the onset and the intensity of the symptoms of intoxication are roughly dependent on the quantity of alcohol present in the circulation. Thus, in experiments on dogs and horses it was ascertained that the animals began to be slightly affected when the proportion of alcohol in the blood reached the level of 0.12 percent, that with higher proportions the symptoms became more marked, and that profound stupor, frequently ending in death, ensued when the alcohol content rose to 0.72 percent. Similarly, in cases of drunkenness in man, the blood has been found to contain, in one observation, 0.153 percent of alcohol and in another instance, when the intoxication was more pronounced, 0.227 percent; and it is generally accepted that with a blood content of over 0.6 percent, there is a considerable likelihood of death.

These figures, however, do not convey much meaning until we have translated them into terms of doses as drunk. This we can easily do if we refer to what is said in chapter II concerning the absorption of alcohol into the blood and its subsequent fate in the body. It was explained in that chapter that alcohol passes rapidly from the stomach and bowel into the circulation, and that owing to the slowness with which it is burned or excreted the amount present in the blood soon reaches a maximum level, bearing a pretty constant relation to the dose originally drunk, so that knowing the quantity of absolute alcohol taken and the body weight of the drinker, we can at once give an approximate estimate of the maximum proportion of the drug which will be found in the circulation, and conversely we can say what amount of alcohol must be administered to give any particular percentage in the blood. Thus, taking the figures which we have quoted, the proportion on 0.15 percent, which was found in the blood of the less pronounced case of intoxication, would correspond to an original dose of 1.5 cubic centimeters of absolute alcohol for each kilogram of body weight, and this amount, expressed in English measure, would be roughly equivalent, in the case of a man 10 stone, to a total dose of 3½ ounces of absolute alcohol; that is to say, nearly a gill and a half of whisky at proof or rather more than 4 pints of beer of average strength (i.e., containing 4 percent absolute alcohol).

##### PRACTICAL CONCLUSIONS REGARDING ADVANTAGES OF THE MORE DILUTE ALCOHOLIC BEVERAGES

As our practical conclusions, then, from the evidence at present available, we may say that any form of alcoholic liquor can cause drunkenness, if such a quantity of it is taken, at once or within a short time, as will lead to the presence of the drug in the blood above a certain proportion, which in the case of the average healthy adult, may be put provisionally at from 0.15 to 0.2 percent.

From the above report, Mr. Speaker, which was made by what Dr. Landon said was "the greatest scientific commission ever appointed to study the effect of alcohol on the human system", it is disclosed that Dr. Landon had good authority for his statement, to wit:

My own opinion, based on scientific investigation, is that the maximum amount of alcohol allowable in a beverage to be classed as nonintoxicating is 2 percent.

But in this bill we are allowing not 2 percent but 3.2 percent of alcoholic content by weight, which is admittedly 4 percent by volume; and most of the famous pre-war favorite brands of beer contained a much smaller percentage of alcohol, and all of us here know that pre-war beer did intoxicate. We have seen too many men dead-drunk on pre-war beer.

The foregoing letter from Dr. Landon, enclosing the extract from the report of the British commission, came to me in my mail this morning.

Here is another letter that I got in my mail. Oh, I wish you could read all of the many letters that I have received lately from all parts of the United States. This one is from Mr. B. H. Thayer, whose address printed on his letterhead is post-office box 249, Prescott, Ariz.:

HON. THOMAS L. BLANTON,  
110 Maryland Avenue NE., Washington, D.C.

MY DEAR MR. BLANTON: Permit me to compliment you upon the valuable and efficient services you are rendering your State and Nation.



I read every issue of the *Record* and am proud of your fearless and statesmanlike conduct with regard to governmental economy as well as your unflagging devotion to the cause of human decency and good citizenship.

I am thoroughly aware of conditions existing prior to the enactment of the eighteenth amendment, and while I am not proud of it, I may state that I was at one time a bartender, and later owner of a saloon at 1221 State Street, East St. Louis, Ill.

I am nearly 45 years of age and a disabled veteran of the World War, and am not a member of any religious or other organization except my political affiliation (Republican), nor am I a "reformed boozier", for if there is any place one can see the real need of temperance it is "back of the bar."

The saloon or "wet" element tell us that repealing this law would reemploy a great many people, and with that statement I agree, but they would be extra police, bartenders, gravediggers, morticians, etc.

I feel sure that the flood tide of "wet" sentiment has greatly receded and that the States will never repeal this law. The November elections and the large vote accorded your party was a protest vote and not a repeal mandate.

Again assuring you of my heartfelt appreciation for all you are doing, in which my wife heartily joins, I am, with admiration and respect,

Sincerely,

BEN H. THAYER.

Here is a fair sample of the many letters which came in my mail this morning:

24 KENSINGTON ROAD,  
Portsmouth, N.H., March 17, 1933.

Representative BLANTON,  
House of Congress, Washington, D.C.

DEAR SIR: I am taking the liberty of thanking you and the New England Congressmen who stood so firmly and bravely against the beer bill yesterday.

You are dead-right. The great middle class of the United States do not want beer or liquor back again, but are in sort of a lethargy or stupor about the whole matter since a great tide of evil seems to be sweeping them off their feet. But sometimes evil overreaches itself, and when beer is sold on roadsides and beer parlors as commonly as soda pop they are in for a rude awakening. Then, unless the end of all things is at hand, sentiment will change and crystallize quickly. May God speed the day!

In the meantime \$125,000,000 will be added to our revenue; but, oh, at what a cost! Auto accidents doubled; drunken and cruel fathers who have always been kind to their little families before; misery and suffering for little children; thousands of our young people taking their first drink because so popularized by radio and newspapers; our streets unsafe for women and children, especially after dark.

My heart is just breaking with the thought of it all. I live in what was formerly a brewery city and I know whereof I speak.

How could any Congressman with a conscience vote for that bill? True prosperity will never come to America by selling out to the devil and all his cohorts.

Again thanking you for your courageous stand in the face of so great odds, I am,

Yours sincerely,

Mrs. FRED G. PORTER, Jr.

P. S.—My husband is in full sympathy with this letter.

The above, Mr. Speaker, came from New England. It exemplifies just what is in the minds of fathers and mothers living in other congressional districts than my own. It is a fair cross section of hundreds of such letters I have received from the fathers and mothers scattered all over the United States.

And remember, the preceding letter I read you came from a former bartender, living in Prescott, Ariz., and one who once owned a saloon in East St. Louis, Ill. He is living in the great State of Arizona, which sent to us our former beloved colleague, CARL HAYDEN, now in the United States Senate, and which sent us our new Director of the Budget, Hon. Lewis Douglas, whom as our colleague here we all respected and admired.

It is interesting to find out just what is in the mind of this former bartender and former saloonkeeper after 12 years of prohibition have given him time for reflection.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BLANTON. I yield to the great wet leader from New York [Mr. O'CONNOR]. A few minutes ago I yielded to the great wet leader from Illinois [Mr. SABATH] and to the great wet leader from Chicago [Mr. BRITTEN]. They with their great wet chief [Mr. CULLEN] are all here today in full regalia.

Mr. O'CONNOR. Does this ex-bartender give the address of his present speak-easy? [Laughter and applause.]

Mr. BLANTON. Would you do this Arizonian that great injustice? Oh, I want to say this to you: You cannot find a prohibitionist in the United States who is a friend of the speak-easy. You cannot find a prohibitionist who is a friend of any racketeer. You cannot find a prohibitionist in the United States who is a friend of the bootlegger. You cannot find a prohibitionist in the United States who has ever given a smile of comfort to any of them. They get their smiles of comfort from the wets of the country. Without the wets no bootlegger or speak-easy could thrive or exist in the United States.

Mr. MARTIN of Oregon. Will the gentleman yield?

Mr. BLANTON. I will yield to the general on this subject. We are fast becoming great friends, notwithstanding our divergent views on some subjects.

Mr. MARTIN of Oregon. The gentleman is going to yield to his leader?

Mr. BLANTON. I yield to my new leader.

Mr. MARTIN of Oregon. The gentleman has all these recommendations from the high authorities. Has he got one from his old friend, Bishop Cannon? [Laughter and applause.]

Mr. BLANTON. I want to say this to my distinguished colleague, that I cannot imagine how a man can be so uninformed as to imagine that the great cause of national prohibition is wrapped up in any man or any particular group of men. It is not. Bishop Cannon and I have been together probably not over three times in our lives. He is probably just about as close to Brother TINKHAM as he is to me. And I have been thrown no closer with Dr. Clarence True Wilson. He and I have spoken together not over 3 or 4 times in our lives.

Does my distinguished friend from Oregon imagine that all prohibition activities are connected in some way with Bishop Cannon and the Anti-Saloon League? He is sadly uninformed. The Anti-Saloon League and Bishop Cannon are no more to the great national prohibition cause than FRED BRITTEN [laughter], Brother SABATH, Mr. O'CONNOR, and Chief CULLEN are to the national antiprohibition cause. [Laughter and applause.] Each and all are mere incidents to the two great national movements.

Mr. BRITTEN. Mr. Speaker, I object. [Laughter and applause.]

Mr. BLANTON. They and all of us here could all die and the prohibition cause and the antiprohibition cause would be just as much intact. Bishop Cannon and Dr. Clarence True Wilson and the whole Anti-Saloon League could die today and it would have no effect whatever on the prohibition cause, no more than did the death of our late departed friend, our beloved colleague, Charles Linthicum, of Maryland, have upon the antiprohibition cause.

Did antiprohibition die when he died? No. No. They are mere incidents. Bishop Cannon and Dr. Clarence True Wilson and the Anti-Saloon League have done much for prohibition, but it will not die when they die. The great prohibition cause of the United States is lodged eternally in the hearts and breasts of the motherhood of America, in the fathers of America, in the churches and Sunday schools, and Bishop Cannon can go hence and so can the Anti-Saloon League, and so can TOM BLANTON and so can everybody else connected with it in this House, and it will still move on with unflinching and unconquerable power. [Applause.] This beer bill will pass. We cannot stop it. But no beer can be sold before April 6. Does April 6 mean anything to us? That was the day in 1917 when we declared war on imperial Germany. And April 6, 1933, is the day upon which the fathers and mothers of America will formally declare war upon the beer barons of America. It will be war to the finish. No quarter will be asked or given. And it means the life or death of America.

The SPEAKER. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. CULLEN. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.



## AGRICULTURAL RELIEF

Mr. BANKHEAD. Mr. Speaker, by direction of the Committee on Rules I call up a resolution (H.Res. 61) and ask for its consideration.

The Clerk read as follows:

## House Resolution 61

*Resolved*, That immediately upon the adoption of this resolution the House shall proceed to the consideration of H.R. 3835, and any points of order against said bill or any provisions contained therein are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Agriculture, the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

Mr. BANKHEAD. Mr. Speaker, in private conference with the gentleman from Pennsylvania [Mr. RANSLEY], I understood the gentleman would like 30 minutes on a side on this rule.

Mr. RANSLEY. Thirty minutes on a side is satisfactory to us.

Mr. BANKHEAD. I am willing to yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

I ask for recognition on the rule, Mr. Speaker.

The SPEAKER. The gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, for the benefit of a number of the new Members of the House, it will be noticed that this is the first time since the convening of the special session of Congress that the consideration of a bill of major importance has been brought forward under the provisions of the authority and jurisdiction of the Committee on Rules. A little later on in the time which I shall consume I shall undertake to explain to the Membership of the House, if in fact it needs any explanation, the provisions of the resolution that has been presented. In that connection I may say it may be necessary, either for myself or some other gentleman on this side, to answer some possible strictures that may be indulged in against this rule by the distinguished minority leader or some of his associates on the committee.

Now, gentlemen, we are confronted here not with a novel but with a very ancient proposition. It is embraced under the general term of an effort by legislation to secure some practical and substantial form of relief for agriculture in the United States. Those of us of somewhat longer service in this Chamber are familiar with the various and repeated efforts that have been made since 1920, when the farm problem first began to assume serious aspects, with the various steps that have been taken and the various proposals that have been brought forward to undertake to deal with this agricultural problem.

For a great number of years the farmers of certain sections of this country were induced to believe that their interests were properly safeguarded and protected under the protective tariff system and that all they had to do in order to continue their prosperity was to continue the high protective tariff system for agricultural products; but it seems that after many decades of trial as to the efficacy of this remedy at least a great proportion of them ultimately came to the conclusion that it was a broken staff upon which to lean. No doubt by virtue of their practical experience under the operation of this system, they came to the conclusion and ultimately learned that although rather large protective duties were laid for the protection of their products under the Fordney bill and other bills, yet in view of the fact they had to buy everything they consumed in a highly protected market and had to rely upon the fixing of the prices of their products in the free and open markets of the world they were not, as a matter of fact, being protected in their interests under such a system.

Mr. SHANNON. Mr. Speaker, will the gentleman yield for a question?

Mr. BANKHEAD. I cannot yield.

Mr. SHANNON. Will not the gentleman yield just for a question? Was it not through a similar rule applied during

the consideration of the Smoot-Hawley tariff law that the Democratic Party educated America to believe that gag rule is wrong?

Mr. BANKHEAD. I may say to the gentleman from Missouri in reply to his question that I do not know that the nature of the rule that may be brought in here necessarily has any relation to the problem he has in mind.

Now I hope I may be permitted to proceed.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield at this particular point?

Mr. BANKHEAD. No; not for the present. I shall be very pleased to yield later if I can.

Mr. GIFFORD. I want to ask a question in regard to the argument the gentleman is making.

Mr. BANKHEAD. I had concluded that argument, I may say to the gentleman.

Mr. GIFFORD. The farmers do not want their rates reduced, do they?

Mr. BANKHEAD. I do not want to be discourteous, but I cannot yield further.

Then we are familiar with the subsequent remedies that were brought forward by the so-called "leaders" of agriculture in the country and by certain so-called "farm blocs" here in the House of Representatives, seeking by legislation to remove some of the burdens and conditions under which agriculture in this country was laboring, to cut down and reduce some of the burdens they had to bear which were, in some measure, imposed upon them by legislation and to find a way by which they could engage in profitable agriculture. The equalization-fee proposition was put forward and consumed a great deal of time in the House of Representatives. You are familiar with the results. It finally passed both branches of Congress but was vetoed by the then Republican President.

Considerable attention was paid to the so-called "export debenture plan" which never reached the stage of actual enactment; and in more recent times, of course, you are familiar with the so-called "domestic-allotment plan", which ran the gamut of passage here in the House of Representatives, but subsequently died in the Senate of the United States. You are likewise familiar with the ghastly failure of the Federal Farm Board law.

The net result of all these efforts since 1920, as far as any actual remedial legislation is concerned, has been absolutely impotent and nugatory. What has been the result with the reference to the condition of agriculture? It has constantly gone from bad to worse, and today every intelligent representative of any constituency upon this floor, whether he comes from a farming district or an industrial district, I believe has reached the conclusion which seems to be almost universal that if we expect a real substantial rehabilitation of industrial and economic prosperity in the United States that improvement must begin in the agricultural sections of America because of the very basic nature of this great industry.

Now, we have a new Congress in session under a new administration. The people of the United States of America in the election last November evidently decided by a most preponderant majority to change the policies, the program, and the personnel of the administration of our public affairs; and to the President of the United States, the man who evidently within the last few days has crystallized upon the part of the American people great confidence and trust not only in his wisdom but in his patriotism—to this man the people of the country very largely are looking to make legislative suggestions to the Congress of the United States, on these imperative matters of relief.

This bill, which I trust we will soon begin to consider under the provisions of this resolution if it is adopted, is an administration measure. I say to you very candidly, as the President of the United States said to you very generously and very candidly in his message to the Congress upon this subject, admittedly this legislation is very largely in the nature of a new experiment in legislation. Admittedly it is pioneering largely in a new field of legislative adventure.



Candidly and admittedly it embraces very drastic departures from some of our inherited views and opinions with reference to the power and authority of the Congress of the United States involving what some may say is the abdication of its power. But the practical legislative proposition is that after long and earnest conference the gentlemen who were presumed to represent the interests of agriculture in America in all sections and all phases agreed, with reference to its preparation, that this would be a practical piece of legislation seeking a remedy for the present ills and evils of agriculture.

This bill has been presented as the composite judgment and opinion of the agricultural leaders and of the advisers of the administration and of the administration itself.

As I said, large powers are conveyed by this bill. I am not going to undertake to go into the details of the bill, although I have endeavored to give them very careful consideration. They will be explained by the members of the Committee on Agriculture who are sponsoring the introduction of the bill; but, Mr. Speaker, I think the American people, and particularly those interested in this great basic agricultural problem, have reached the point in their desperation where they are willing to try a decent experiment for the recovery of agriculture even if in the beginning it may be clouded and overhung with some difficulties and with some legalistic and economic complications.

So this resolution provides for the consideration of this measure as it is presented. No doubt the distinguished minority leader, as already indicated by some interviews in the newspapers, will undertake to say that this is a very drastic rule. I admit it. The minority will also say that it is a gag rule. In the common acceptance of this term I admit it; but I want to say that many years ago when, as a somewhat green Member of the House of Representatives, I was assigned to service on the Committee on Rules, under Republican administrations for many years, all that I absorbed or learned about so-called "gag rules" I learned while sitting at the feet of the distinguished gentleman from New York [Mr. SNELL] and his associates.

I may say to the new Members of this Congress, also, and we might as well be candid and frank about the function and jurisdiction of the Committee on Rules, the gentleman from New York and his associates well know what these functions are. The Committee on Rules is the political and policy vehicle of the House of Representatives to effectuate the party program and the party policy. This is what it is, nothing more and nothing less; and although, individually, I express the opinion here and now that we regret the necessity sometimes of bringing resolutions upon the floor of this House that will prevent the ordinary freedom of action and freedom of offering amendments, there come times when, under our system of party government, the Committee on Rules, acting as I have suggested, is requested, as we have been requested in this instance, by the leadership of the House, to bring in the rule that we now have under consideration, for reasons which they thought were wise and appropriate under the circumstances.

So if you adopt this rule for the consideration of this bill, it provides for 4 hours of general debate which will give all gentlemen who desire to do so a fairly reasonable opportunity to express their views upon it, and at the end of that time we are going to have a vote on this bill, if the rule is adopted, and we are going to vote the bill as it is, up or down.

I have no right to appeal to the Republican organization on the other side to support this bill as it is presented. We will be very happy to have their cooperation in its passage if we can secure it, as was so generously promised us a few days ago with reference to these measures; and if we can not have the support of the leadership, I trust many individual Members on that side, who are interested in a real effort to secure agricultural relief, will go along with us on this bill. But the House of Representatives is now controlled by the Democratic Party. This is a part, as I understand it, of the Democratic program; and the leadership at the other end of the Avenue, and in this House, who are the instruments of his policies, as I have said, are making an

appeal to the Democrats of this House with reference to this great proposition to waive, in its consideration, some minor or technical objections they may have to some of the details of the bill, and let us pass it here in the House, and at least make it the basis for the compromises or suggestions that may help the bill hereafter.

Mr. BRITTEN. Will the gentleman yield for a question?

Mr. BANKHEAD. I yield to the gentleman from Illinois for a question.

Mr. BRITTEN. The gentleman has repeatedly referred to the bill as being an experiment, to which we all agree. The gentleman has also expressed the hope that the Republican side of the House may help in the passage of the bill. How can we help when the gentleman's rule forbids us from even offering an amendment to the bill?

Mr. BANKHEAD. I have explained that to the gentleman. The gentleman has been here a long time. The gentleman knows how the game is played here in the House of Representatives [laughter and applause]; and as I undertook very fairly and candidly to state, you have the opportunity of doing only one thing, if this rule is adopted, either to vote for the bill from cover to cover or vote against it; and the gentleman, of course, has the privilege of exercising his rights upon that question. [Applause.]

Mr. GIFFORD and Mr. CLAIBORNE rose.

Mr. BANKHEAD. I cannot yield further, because I have promised time to other members of my committee.

Mr. RANSLEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I am against this most drastic rule. Surely we could have the time to take the bill up under the 5-minute rule, which, after all, would be in line with orderly procedure. Under the rule, as introduced by the gentleman from Alabama, it will be impossible to amend the bill in any way.

The majority leader, the gentleman from Tennessee [Mr. BYRNS], some short time ago was in favor of opening up the bill for amendment. I presume he is still in favor of doing so. If the House will vote down this rule, we will then have the opportunity of considering the bill in a more orderly manner, giving everyone an opportunity to amend the bill as they believe it should be amended. [Applause.]

Mr. Speaker, I yield 10 minutes to the Republican floor leader, the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, there is always a little amusement in the daily life of congressional procedure, and the anomalous position of my Democratic friends which they are taking here today, after 18 years' experience on the Rules Committee, furnishes me with some of that amusement.

Looking back over the past 15 years, and taking into consideration the offensive position the Democratic membership of this House has always taken in matters of this kind, it is certainly amusing to see them following the advice of my distinguished friend from Alabama [Mr. BANKHEAD] today.

I am not going to refer to any individual on the Democratic side, but you Members who have been here for several years know them as well as I do and the part they have taken on the floor of the House begging, pleading, and imploring the Republicans to be real men, to stand up—not act like sheep being driven through a ring.

I believe in the Rules Committee. I believe in party action. I am just as much in favor of presenting a rule for the consideration of bills as any Member in this House, but I do think there should be a little mite of judgment in connection with the rule presented.

My good friend from Alabama made about as adroit a presentation of the rule as I ever heard presented. He talked in glittering generalities of what we ought to do for the farmer.

With the most of his statements I could agree with him—they were general statements.

We on the Republican side of the House are just as much in favor of doing something for the farmer as anyone else, but we want to do it in a reasonable way. We should like to



know what we are doing; we should like to know in what direction we are progressing, and that we are not progressing too far.

In answer to an inquiry I made of the majority leader here yesterday, he said he thought the time had come when matters should take their usual course of procedure; the committees were now all set up, and he knew of no reason at this time why these matters of legislation should not go to the committees, having reasonable hearings, and be presented on the floor and considered in the usual way in which they are considered. Whether he was just fooling or not, I do not know.

Mr. BYRNS. Will the gentleman yield?

Mr. SNELL. Certainly.

Mr. BYRNS. I said I saw no reason why we should not give full consideration to legislation by committees, and that the House should have the fullest opportunity for discussion of measures.

Mr. SNELL. That is what I said.

Mr. BYRNS. The gentleman said under the general rules of the House. We are operating under a special rule.

Mr. SNELL. I took that to be the intent of the gentleman's statement. The average Member of the House thought we would have a reasonable time to consider the bill. Anyone who knows anything about a special rule knows that a rule can be brought in for the consideration of a bill and still give every man his rights. I have brought in a great many of that kind.

Mr. BANKHEAD. Did the gentleman ever bring in any other kind of a rule? [Laughter.]

Mr. SNELL. I never brought in a rule that did not give a fair and reasonable consideration to the individual Member. There has always been a sugar coating on any rule that I ever brought in. [Laughter.] The way you are giving us this rule it is a straight dose of castor oil without any palliative whatever. [Laughter.]

Mr. BYRNS. Did the chairman of the Rules Committee ever administer any castor oil of this kind?

Mr. SNELL. I never used it in quite this way.

Now, I want to make my position entirely plain, so there can be no misunderstanding. We are not opposed to the consideration of farm legislation.

If you had suggested it and wanted to bring in a bill to the floor of this House for consideration in a normal way, we would have been perfectly willing to give you unanimous consent for its consideration; but I am opposed to the way in which you are proposing to do it at the present time. We want the opportunity to present what we think might be some relief to the farmers of this country. I personally believe that the three outstanding ways in which you can assist agricultural interests and the individual farmer are, first, by reducing the interest on farm mortgages [applause]; second, by passing legislation that will reduce taxes on the farms of this country [applause]; and, third, by alleviating through some sort of legislation the terrific charges for the transportation of farm products from the farm to the market. [Applause.] When you have done those things, and then leave the common-sense American farmer alone for a little while, you will have done more to relieve him from the burdens that he is working under at the present time than by any other piece of legislation that you can pass. [Applause.]

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. SIROVICH. Did the Republican Party while in power try to do those three things?

Mr. SNELL. Oh, the Republican Party has always stood for practical aid to the farmers. But we never advise to chase rainbows as you propose here today.

Mr. SIROVICH. What was the result?

Mr. SNELL. I think they were as good as you will get under this bill.

Mr. CARPENTER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. CARPENTER of Kansas. Does not the gentleman agree that if we would raise the price of agricultural products that would have more to do with relief for agriculture than anything else?

Mr. SNELL. I think there is something to the gentleman's statement.

Mr. PATMAN. Mr. Speaker, will the gentleman yield to me for one question?

Mr. SNELL. Yes.

Mr. PATMAN. The gentleman suggested that we should pass legislation to reduce taxes on farms. Inasmuch as the farmers do not pay direct taxes to the United States Government, how are we going to do that?

Mr. SNELL. I said general legislation somewhere to reduce taxes; and if we do something to reduce taxation, we will help the farmer and everyone all along the line.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for a question?

Mr. SNELL. Yes.

Mr. BLANTON. I am wondering what has happened in the last day or so to make our friend from New York [Mr. SNELL] abandon statesmanship and revert to politics?

Mr. SNELL. Oh, I am still a statesman; but this is not a statesman's bill. This is a pure Democratic patronage bill, and every man on the Democratic side of the House knows it as well as I do, and all you have to do is to read the bill and you will come to that conclusion. When you present something sound and right, I am going to support it.

Mr. CARPENTER of Kansas. And is there any objection to that, if it helps the farmers of this country?

Mr. SNELL. The gentleman asks two questions in one. I do not care anything about the patronage proposition. I am more interested in doing something for the farmer; and when you pass this bill, you will have created more agents and expense than you have done away with in all of your economy measures that passed this House last week. Let us not undo today all the good we did last week.

Mr. SHANNON. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. SHANNON. Is not a discussion of the merits of the bill at this time out of order? The pertinent discussion is with reference to the effect the adoption of the rule will have on individual Members. Will not the adoption of the rule disfranchise them from active participation in the consideration of the bill?

Mr. SNELL. I cannot yield for a speech.

Mr. SHANNON. Then I shall put it in the form of a question. Does not the rule take away from the individual Member any possible participation in the making of this bill other than merely to vote "yea" or "nay"?

Mr. SNELL. It absolutely binds every man here and takes away from him any chance to express his opinion or to say to the people of the country what he would like to do to assist the American farmer. You have lost every right of an individual Member when you adopt the previous question on this rule.

Mr. BANKHEAD. Does the gentleman think that that is an entirely fair statement? I think we have provided rather generously for general debate. Of course, the rule does not give the right of amendment, but I think the gentleman will agree with me that 4 hours' general debate is as much as is ordinarily granted on a proposition of this kind.

Mr. SNELL. Yes, but I have been here long enough to know that general debate does not mean anything. You may fool some of your new Members by that statement, but not me. I have been here too long. We want the right to present an amendment and have consideration of it by this House. That is the way we have been in the habit of considering legislation of this kind, and the gentleman from Alabama well knows it. You are binding this House so that it cannot do a thing, and every man knows it. Why do you not come out in the open? If your bill is good enough to be entitled to the support of this country, with a majority of 200 in this House, it ought to be good enough



to put it through in the open, and you should have faith enough in the bill and your own Members to put it to that test.

Mr. PARKS. Mr. Speaker, will the gentleman yield?  
Mr. SNELL. Yes.

Mr. PARKS. I fully agree with the gentleman that we ought to be able to offer an amendment, but we are simply following the precedent that the gentleman set in his tariff bill.

Mr. SNELL. Oh, the gentleman is mistaken about that. He does not understand the tariff rule at all.

Mr. PARKS. And neither does the gentleman from New York.

Mr. SNELL. Oh, yes, I do; because I drew it. Do not fool yourself that I do not know what it was, and much better than the gentleman from Arkansas.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?  
Mr. SNELL. Yes.

Mr. HOWARD. The gentleman is opposing this rule, now, is he?

Mr. SNELL. I am opposing the previous question on the rule. I am willing to consider the legislation brought up under it, but not in the way proposed by the majority. I am a liberal like my friend from Nebraska.

Mr. HOWARD. I am at a loss to understand the gentleman.

Mr. SNELL. If the gentleman will wait a minute or two, I shall tell him. If the gentleman will vote with me against the previous question on the rule, we will have a chance to amend the rule, so that we will be able to offer amendments to the bill from the floor of the House.

Mr. HOWARD. I am like the gentleman from New York [Mr. SNELL], only different. I vote against all gag rules. I will vote with the gentleman. [Applause.]

Mr. SNELL. Very well. I am glad to know we have some independent men on that side of the aisle.

Now, there is no reason for rushing this bill through here today. Every man knows this will not become a law for some time. It will be entirely rewritten in another body. You will not recognize your child when it comes back. They are going to make a farm bill out of it. There is every reason, on such an important, controversial measure, to give ample time to consider the bill and let every man know what he is voting for. The bill has only been in print for two or three hours. The members of the committee do not know it. The Members of the House certainly do not know it, and few have read it as presented. All I need say is that the gentleman from Texas [Mr. JONES], who has been one of the most ardent adherents of legislation in behalf of agriculture ever since he has been in the House, refused to introduce this bill and let it bear his name. He knows it is not right now. I am just pleading with you to let us have an opportunity to find what is in the bill. Let us offer amendments, and we will go along with you and do everything that is possible to relieve agriculture from the terrible burden it is bearing at the present time. [Applause on the Republican side, the Members rising.]

The SPEAKER. The time of the gentleman from New York [Mr. SNELL] has expired.

Mr. BANKHEAD. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, it is indeed amusing for me to hear the gentleman from New York [Mr. SNELL] plead and argue against the adoption of this drastic rule that precludes any amendment. For years I have opposed the rule that was brought out today and that the gentleman from New York [Mr. SNELL] was accustomed to bring out for us, which we had to accept, on measures that were not nearly as important as the measure before us, and when legislation was not required, as it is at this time.

As the gentleman from Alabama [Mr. BANKHEAD] stated, for over 10 years we have endeavored to legislate to relieve the agricultural industry of America. Unfortunately, during that period, we had in the White House two Presidents who did not favor legislation that would be actually helpful and beneficial to the Nation, and they refused to listen to the

farmers of our country and to those who were sincere and honest in their efforts to aid agriculture. But conditions have changed.

Today we have in the White House a man who understands what the farmers and the people of this Nation want; a man who has devoted many hours, yes, many days, weeks, and months, to the study of our problems. After many consultations with outstanding experts, economists, students, and those most vitally interested in agriculture, he came to the conclusion that the bill which is made in order today by this rule will bring some constructive relief to the farmers of the Nation.

There are no farmers in my district, but I have supported all farm-relief legislation, and I will support this resolution and this bill, because I believe that we cannot expect any betterment of conditions in our country until the farmers of this Nation are relieved and aided. Let us return to the farmer his purchasing power; and if we shall bring that about, I am confident that the man in the city will be aided and assisted. I realize the deplorable conditions that exist on all farms throughout the United States; but, Mr. Speaker, I want you to realize, too, and recognize the deplorable condition of the 15,000,000 unemployed in America—of the 15,000,000 men who for 2 years, many of them for 3 years, have been unable to secure employment in order to provide for their families. I honestly believe that this legislation will aid them secure shortly that employment which they have been seeking, and in that way we shall not only aid the millions of unemployed but we shall bring about a general improvement in conditions throughout the Nation. It is for these reasons that I am for this resolution. I will vote for the bill, and I hope it will do all that the experts who have studied it believe it will do. [Applause.]

I hope that this will be the last time that we are compelled to use this last resort, unless it be to make in order a real relief bill for the workers of America.

"Farmer suffers the loss of his farm," says a press report. But very little do we hear of the hundreds of thousands of homeowners who are losing their homes daily or the thousands of business men who are losing their businesses or the 15,000,000 suffering, hungry, destitute, and unemployed people who are pleading for work so they can provide for their undernourished dependents, most of whom have been living on charity for nearly 3 years.

The SPEAKER. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. RANSLEY. Mr. Speaker, I yield 8 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, my distinguished friend, the ranking member of the Rules Committee, the gentleman from Alabama [Mr. BANKHEAD], says all he ever learned about gag rules was at the feet of our able minority leader. If that be true, then I say the gentleman from Alabama has been a most apt pupil, because in the last 2 years of Democratic administration in this House there have been more gag rules brought before the House than in any other period during the 8 years I have been a Member of this Congress.

Why should a gag rule be brought here today to consider this question? It cannot be because of the minority, because we are few in number. You have a majority of over 200. So I say it cannot be because you fear the Republican minority. My friends, there can be but one interpretation of this action, and that is the leadership of this House does not trust its own membership. There can be no other reason. In the past it has been the practice in nearly all of these major bills to bring the bill into the House, read it under the 5-minute rule, so that the Membership of the House can have an opportunity to amend and make the measure acceptable. I say to you on the Democratic side of this House, I believe it is time for you to ask yourselves, "Am I going to trust continually and always to a few members of the committee to have the say as to legislation which is vital to every person in this country?" For the sake of the prestige of the House, and for orderly procedure, for the thoughtful consideration of



this bill, I hope we will vote down the previous question, and then adopt the substitute which the gentleman from Pennsylvania [Mr. RANSLEY] will offer. If this is done, we may proceed to review this bill as it should be reviewed, under the 5-minute rule and subject to perfecting amendments.

When the emergency program was presented I felt it was the patriotic duty of all to cooperate with the President and enact promptly the measures which could be considered vital in his efforts to save the country from greater distress than it has gone through in recent months.

The farm bill which is now presented does not, in my opinion, come under the classification of emergency. Certainly it cannot be considered as one which has for its purpose the maintaining of a balanced Budget or the giving of greater confidence to the country. The President quite frankly states it is an experiment which would be set aside if it proved to be impracticable.

Now, I am not opposed to farm relief. I would vote gladly for a bill which would bring better days to agriculture because the revival of this great industry would be helpful to the entire country. But I regret I cannot see any hope in giving these tremendous dictatorial powers to the Secretary of Agriculture. I am convinced if the great power is carried out in the manner outlined it will mean the creation of a great army of Government employees, and the result will not be of advantage to the farmers whom it is presumed to aid.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. GIFFORD. The gentleman recalls the very adroit manner in which the gentleman from Alabama tried to claim the futility of the tariff for the farmer and that the farmers were against the tariff; but the gentleman realizes that the administration promised last fall it would not reduce the rates on the farmers' products; and the farmers would not stand for the reduction of a single rate on any of their products in the present tariff.

Mr. MARTIN of Massachusetts. That is true.

What will this bill do? No one can answer that question because it rests entirely on the manner in which the Secretary of Agriculture uses his power. I know its purpose is to levy a sales tax on the food and cheap clothing of the consumers of the country to the extent of \$1,000,000,000, a tax which will fall upon the poor people at a time when they are finding it almost impossible to get the bare necessities of life.

Nothing could be more cruel than to do this now, when the extra cost may bring with it, for many, want and starvation.

This bill will put in motion an army of taxgatherers and spies, who will make life unbearable to the farmers, and whose heavy cost of upkeep may fall on the Treasury of the United States. It is interesting to note in passing that the committee which considered this bill has stricken off the provisions requiring the appointees to come under the civil-service classification. They will all be recruited from the army of deserving Democrats.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. REED of New York. Did not the original bill provide that they should be selected from the classified service?

Mr. MARTIN of Massachusetts. Absolutely; but all that has been eliminated in the committee. Now, Mr. Speaker, every farmer whose crops come under the czarlike power of the Secretary of Agriculture will be under close supervision. He will be unable to plant or sell without a permit. Surely it can reasonably be interpreted we are on our way to Moscow. Labor employed in industry may well be alarmed, not only at the heavy burden which is to be levied upon them, but also as to whether or not they themselves will be placed under the same supervision and thus complete the establishment of the soviet system in the United States.

The proposed measure will destroy that which is essential to any permanent recovery, the expansion of our foreign commerce. If the spinner of cotton is obliged to pay

12 cents a pound for his cotton, he is not going to sell cotton goods in competition with a competitor who can secure his cotton for 6 cents. What applies to cotton will apply to any other commodity which comes under this arrangement.

Other objections might be voiced, but these are enough to cause the rejection of the proposed measure. May I venture to express the opinion the cotton and the wheat grower are not suffering more than the people engaged in business in other parts of the country? All have felt the blight of this depression as I am going to show.

The gross income of agriculture fell from \$11,900,000,000 in 1929 to \$5,200,000,000 in 1932, which was a decrease of approximately 56 percent. In the same time it is estimated factory pay rolls fell 50 percent, and the construction industry, which directly or indirectly is said to give employment to 10,000,000 people, slumped 80 percent. The payroll index in manufacturing, according to the Federal Reserve Board, fell from 110 in September, 1929, to 40 in August 1932. This meant a 64 percent reduction in comparison to the 56 percent reduction in the gross income of the farming population.

Taking another yardstick, we find in 1930 the value of all farms in the United States was \$57,000,000,000, while the entire mortgage debt was \$9,000,000,000, or 16 percent, if it had been evenly distributed. As a matter of fact, it was not evenly distributed, as 55 percent of the farms in the country have no mortgages, so the burden fell upon the other 45 percent. We might well inquire if the small homeowner would compare as well if the data were available.

It is true the farmer is suffering from heavy taxes, 11 percent of his income goes for taxes in comparison to 8 percent for debt service. The taxes, however, are all of local origin and, in this respect the small-home owner in the city finds himself just as hard-pressed.

In considering measures which have the object of transferring through legislative act the burden from one group of our citizens to another group, it is well to get the full picture so that we may legislate intelligently.

This measure is designed to aid part of our population which in the aggregate has 10,000,000 people in comparison to the 40,000,000 engaged in industries who will not be helped but will rather be further handicapped in the brave fight they are making without Government support. In 1930 the value of agricultural products was \$9,400,000,000, while the manufacturing output was 70 billions. Fourteen million workers in industry had pay rolls aggregating \$15,000,000,000.

No, Mr. Speaker; agriculture is not going to climb back to prosperity over the prostrate body of industry. American agriculture will again be prosperous when American industry is prosperous. They will both go along the highway of better days together. No permanent progress toward recovery can be accomplished by transferring the burden from one group to another. The solution of our agricultural problem rests not with this bill.

I am opposed to the bill because I firmly believe it will result disastrously as have other ventures in the field of agricultural pricefixing. We have in the past 10 days given courage and confidence to the American people. Let us not destroy that splendid sentiment with an experimental bill which gives promise of failure.

I want to help the farmer but I want to do it in an intelligent way. I do not want to do it by putting him under bondage to the Government and have him harassed by an army of supervisors who will have no knowledge of the problems of the farmer. I want to do it where there is a reasonable chance for success. This is no time to lift the cost of the bread and clothing of the poor man in carrying out a proposal which is classified as experimental. This is no time to do something just for the sake of action. It is no time to push the farmer and the country deeper into the mire, as I am afraid will happen if this bill becomes a law.

Mr. LOZIER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. LOZIER. Does not the gentleman realize that by impoverishing agriculture the best market of industry is



destroyed, that we can have no rehabilitation of industry until we have a rehabilitation of agriculture?

Mr. MARTIN of Massachusetts. I do not admit that.

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I should like to make a brief statement mainly for the benefit of the new Members, and to them I confess that this is not the customary way of bringing before this House for consideration measures of the character of the pending bill.

The bill is an involved affair. It seeks to apply to the solution of a troublesome problem new, untried, fanciful, and seemingly impracticable theories that will lead us no one knows where. The rule which we are invited to adopt in this instance is not altogether unusual. It is confessedly bad practice sometimes indulged in by both parties. It does seek to apply the principle of force which deprives Members of freedom of thought and action which it to be regretted. I am not sure just how much longer the Membership of this body is going to stand for pressure of this kind. I do not want to tax them too much.

If this be dictatorship, it is a dictatorship that is indulged in because of the seeming failure of parliamentary procedure to function with the degree of rapidity necessary to answer the exigencies of the hour. To take the bill as it is, without subjecting it to any kind of test, and pass it on the theory that it will be corrected in the other branch of Congress is to argue that the Membership of this House is incapable of dealing with the problem; and this is not true. But, besides all these considerations, we have been proceeding upon the theory that we are in the midst of economic war, and that an emergency is upon the country which calls for treatment of problems in a speedy and heroic way. This measure comes to us with the sanction, as we are told, of the President. To turn it down or to hesitate now would probably do more injury to this movement toward recovery than any ill effect that might result from application of any unwise provision that it might contain. The country has become aroused. The President has electrified the people. The demand that comes up to us is to support him. The organization of this House wants this rule. I am a good soldier and will vote for this rule and the bill, and trust that all others, because of the circumstances, will do likewise.

Mr. RANSLEY. Mr. Speaker, I yield 6 minutes, or the balance of the time, to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, I want to confine what I have to say to the rule which is under consideration and do not care to discuss the merits of the legislation at this time. I would like to take as a text for what I have to say a statement in an editorial appearing this week in Labor, the newspaper of the railroad brotherhoods, which is friendly to this administration. It says:

Labor still believes in the institutions of democracy, and the basis of those institutions is a legislative assembly. It is time to end the hysteria which has been showing itself on Capitol Hill and make sure that the laws we pass are not filled with costly jokers. Congress owes the President cooperation, not blind acquiescence, and Members of Congress should insist on performing their real and very important duties.

[Applause.]

The House of Representatives has now been in session 10 legislative days since Congress convened March 9 for this special session, and during that time it has made a record for passing legislation without giving it any real consideration which, in retrospect, I am afraid very few Members of Congress will be able to look back upon with any degree of pride.

I have not looked up the record, but I dare say that we have passed more important legislation in the few days of this session, under gag rules, which did not permit of the reading of the legislation under the 5-minute rule or the offering of amendments, than has been passed before in the last 20 years since I have been a Member of Congress.

The gag rule, instead of being the exception, has become the rule of procedure for this Congress.

On March 9, the day we convened, we passed, under a special rule which allowed only 40 minutes of general debate and required a vote at the end of that time without reading under the 5-minute rule, a bill giving the Secretary of the Treasury absolute control over the banks of the country. On March 11 we passed the so-called "economy bill" after 2 hours of general debate, without reading it under the 5-minute rule and without being allowed an opportunity to offer an amendment.

Mr. BULWINKLE. Will the gentleman yield?

Mr. MAPES. I have not the time.

On March 14 we passed the beer bill, with only 3 hours of general debate, with no reading of the bill under the 5-minute rule and no opportunity to offer amendment; and yesterday we passed, under the suspension of the rules, an amendment of the bank act, with no opportunity to amend it.

This is something unheard of as far as general procedure is concerned before this session of Congress. Let me say I think the public sentiment of the country up to this time has sustained this procedure, but I warn my friends here that it will not sustain such procedure from this time on, and I do not believe that it will sustain it on this bill. I want to explain to the new Members of the Congress just how we can remedy this procedure in the consideration of this legislation.

If we vote down the previous question when it is moved on this resolution, then we will have an opportunity to amend the resolution so that at the conclusion of general debate the bill will be read by paragraphs or by sections and every Member as we go along will have an opportunity to offer such amendments as he sees fit.

Mr. BULWINKLE. Will the gentleman now yield?

Mr. MAPES. I am sorry, but I have not the time.

The passage of these rules, as we have been passing them, shows we are afraid of ourselves. It shows that we are afraid of the House of Representatives and that we do not trust ourselves to read the legislation and to perfect it, as has always been done on the floor of the House until this session of the Congress.

I am not afraid to trust the House of Representatives. I am not afraid to trust myself in the consideration of legislation, and I submit that the consensus of opinion of 435 Members of the House of Representatives, familiar with legislation, knowing the needs of the country, is better than that of any one man in some administrative department of the Government. The idea of voting for anything in the House, with the hope that it will be perfected or our mistakes corrected in another body, does not appeal to me. [Applause.]

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I yield the remaining time at my disposal to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, I regret that I cannot agree with the gentleman from Michigan [Mr. MAPES] in the interpretation which he places on the editorial to which he has just referred. I cannot see in it any commitment of labor against this bill. Labor has every reason to cooperate in the enactment of farm-relief legislation, both from the point of self-interest and in appreciation of past favors. For 20 years at least the representatives of organized agriculture, and Members from agricultural districts, have supported legislation urged by the labor organizations. And now that opportunity is afforded for labor to reciprocate I am certain its representatives will be glad to return the favor. As a matter of fact in supporting this bill labor is serving its own interests. The gentleman from Illinois [Mr. SABATH] just now called attention to the unemployed. Why are these 15,000,000 men walking the streets today without a job? It is for the simple reason that the farmer, who is their best immediate and ultimate customer, is receiving so small a price for his products, so meager a wage for his labor, and so small a return upon his investment



that he is no longer able to buy the output of the mills and plants and factories in which these men were formerly employed. And the only way to put the unemployed back to work is to pay the farmer a fair price, a living wage, and increase his buying power to the point where he can again go into the market and pay for the commodities which these men produce. The cause of agriculture is the cause of labor, and the most effective way of ending unemployment and maintaining union wage scales, and bringing back prosperity to the city, is to raise the price of farm products. There is no other method by which it may be accomplished.

And there is no other method by which real farm relief can be secured. Extension of notes, amortization of obligations, reduction of rates of interest, and lowering of taxes are all highly desirable; but none of them, nor all of them, will afford permanent relief unless farm prices are increased. The farmer does not want to borrow more money. He wants a price for his products which will enable him to pay the money he already has borrowed.

And that is exactly what this bill will do. It will increase the price of farm products. It will reduce the acreage under cultivation and decrease the pressure of the farm surplus on the market. That is the principal objective of this session of Congress.

Now, let us see who is opposing this bill. It is apparent at once to those who have glanced over the flood of letters and telegrams which have poured into the Capitol in the last 24 hours, and who have listened to the specious plea of the lobbyists who infest the committee rooms in the House Office Building like swarms of locusts from Egypt. It is the middlemen. None are so blind as those who will not see. And the middlemen of the country are the most hopelessly blind of all. They forget that in the days when agriculture was prosperous they also were prosperous. They fail to see that it is because agriculture has been impoverished that they, too, have fallen upon evil days. Their shortsighted self-interest also blinds them to the inconsistency of their position. Only a few days ago the great majority of these men were writing and telegraphing, "Stand by the President," and now they are writing and telegraphing, "Desert the President."

This is the President's bill. It is emergency legislation. And in this emergency the farmers for whom this legislation is being formulated are entitled to first consideration. The Transportation Act was not passed until it was approved by the railroads. The Federal Reserve Act was not enacted until it had been endorsed by the bankers. The labor bill did not become a law until it had received the sanction of the labor unions. The tariff bill was not placed on the statute books until it carried the countersignature of the manufacturers. Surely, then, when a farm bill is to be enacted, the farmers should be consulted. Every major farm organization in the United States has expressed formal approval of this bill and asked for its enactment. I submit that under the circumstances we should be guided by the farmer rather than by the middleman. In adopting measures to protect the sheep there is no occasion to consult the wolves.

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. SNELL) there were 184 ayes and 102 noes.

So the previous question was ordered.

The SPEAKER. The question now is on the resolution.

The question was taken, and the resolution was agreed to.

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MAPES. Reserving the right to object, will that include Members who have spoken on the rule?

Mr. JONES. It is all Members.

The SPEAKER. Without objection, it is so ordered. Is there objection to the request of the gentleman from Texas

that all Members have 5 legislative days in which to extend their remarks on the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the title to the bill (H.R. 3835) to relieve the existing national economic emergency by increasing agricultural purchasing power.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

The bill is as follows:

*Be it enacted, etc.,* That the present acute economic emergency being in part the consequence of a severe and increasing disparity between the prices of agricultural and other commodities, which disparity has largely destroyed the purchasing power of farmers for industrial products, has broken down the orderly exchange of commodities, and has seriously impaired the agricultural assets supporting the national credit structure, it is hereby declared that these conditions in the basic industry of agriculture have affected transactions in agricultural commodities with a national public interest, have burdened and obstructed the normal currents of commerce in such commodities, and render imperative the immediate enactment of this act.

#### DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress—

(1) To establish and maintain such balance between the production and consumption of agricultural commodities, and such marketing conditions therefor, as will reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the pre-war period, August 1909–July 1914; and

(2) To approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as is deemed feasible in view of the current consumptive demand in domestic and foreign markets.

(3) To protect the consumers' interest by readjusting farm production at such level as will not increase the percentage of the consumers' retail expenditures for agricultural commodities, or products derived therefrom, which is returned to the farmer, above the percentage which was returned to the farmer in the pre-war period, August 1909–July 1914.

#### TITLE I—COTTON OPTION CONTRACTS

SEC. 3. The Federal Farm Board and all departments and other agencies of the Government are hereby directed—

(a) To sell to the Secretary of Agriculture at such price as may be agreed upon all cotton now owned by them.

(b) To take such action and to make such settlements as are necessary in order to acquire full legal title to all cotton on which money has been loaned or advanced by any department or agency of the United States or held as collateral for loans or advances and to make final settlement of such loans and advances upon such terms as may be deemed advisable, in the judgment of the Secretary and the department or agency involved; and to sell this cotton also to the Secretary in the same manner as is provided in the preceding paragraph hereof.

The Secretary of Agriculture is hereby authorized to purchase the cotton specified in paragraphs (a) and (b).

SEC. 4. The Secretary of Agriculture shall have authority to borrow money upon all cotton in his possession or control and deposit as collateral for such loans the warehouse receipts for such cotton.

SEC. 5. The Reconstruction Finance Corporation is hereby authorized and directed to advance money and to make loans to the Secretary of Agriculture to acquire such cotton and to pay the carrying costs thereon, in such amounts and upon such terms as may be agreed upon by the Secretary and the Reconstruction Finance Corporation, with such warehouse receipts as collateral security.

SEC. 6. (a) The Secretary of Agriculture is hereby authorized to enter into contracts with the producers of cotton to sell to any such producer an amount of cotton equivalent in amount to the amount of reduction in production of cotton by such producer below the amount produced by him in the preceding crop year, in all cases where such producer agrees in writing to reduce the amount of cotton produced by him in 1933, below his production in the previous year, by not less than 30 percent, without increase in commercial fertilization per acre.

(b) To any such producer so agreeing to reduce production the Secretary of Agriculture shall deliver a non-transferable-option contract agreeing to sell to said producer an amount, equivalent to the amount of his agreed reduction, of the cotton in the possession and control of the Secretary.

(c) The producer is to have the option to buy said cotton at the average price paid by the Secretary for the cotton procured under section 3, and is to have the right at any time up to January 1, 1934, to exercise his option, upon proof that he has complied with his contract and with all the rules and regulations of the Secretary of Agriculture with respect thereto, by taking said cotton



upon payment by him of his option price and all actual carrying charges on such cotton; or the Secretary may sell such cotton for the account of such producer, paying him the excess of the market price at the date of sale over the average price above referred to after deducting all actual and necessary carrying charges: *Provided*, That in no event shall the producer be held responsible or liable for financial loss incurred in the holding of such cotton or on account of the carrying charges therein: *Provided further*, That such agreement to curtail cotton production shall contain a further provision that such cotton producer shall not use the land taken out of cotton production for the production for sale, directly or indirectly, of any other nationally produced agricultural commodity or product.

SEC. 7. The Secretary shall sell the cotton held by him at his discretion, but subject to the foregoing provisions: *Provided*, That he shall dispose of all cotton held by him by March 1, 1935: *Provided further*, That he is authorized to sell unlimited amounts at any time a price equivalent to not less than 10 cents, basis middling, seven-eighths inch staple, at the ports can be procured.

#### TITLE II—AGRICULTURAL ADJUSTMENT PROVISIONS

##### GENERAL POWERS

SEC. 8. In order to effectuate the declared policy, the Secretary of Agriculture shall have power—

(1) To provide for reduction in the acreage or reduction in the production for market, or both, of any basic agricultural commodity, through agreements with producers or by other voluntary methods, and to provide for rental or benefit payments in connection therewith in such amounts as the Secretary deems fair and reasonable, to be paid out of any moneys available for such payments.

(2) To enter into marketing agreements with processors, associations of producers, and other agencies engaged in the handling, in the current of interstate or foreign commerce of any agricultural commodity or product thereof, after due notice and opportunity for hearing to interested parties. For the purpose of carrying out any such agreement the parties thereto shall be eligible for loans from the Reconstruction Finance Corporation under section 5 of the Reconstruction Finance Corporation Act. Such loans shall not be in excess of such amounts as may be authorized by the agreements and shall bear interest at a rate not in excess of 3 percent per annum.

(3) To issue licenses permitting processors, associations of producers, and other agencies to engage in the handling, in the current of interstate or foreign commerce, of any basic agricultural commodity or product thereof, or any competing agricultural commodity or product thereof. Such licenses shall be subject to such terms and conditions, not in conflict with existing acts of Congress or regulations pursuant thereto, as may be necessary to eliminate unfair practices or charges that prevent or tend to prevent the effectuation of the declared policy and the restoration of normal economic conditions in the marketing of such commodities or products and the financing thereof. The Secretary of Agriculture may suspend or revoke any such license, after due notice and opportunity for hearing, for violations of the terms or conditions thereof. Any agency engaged in such handling without a license as required by the Secretary under this section shall be subject to a fine of not more than \$1,000 for each day during which the violation continues.

(4) To require any licensee under this section to furnish such reports as to quantities of agricultural commodities or products thereof bought and sold and the prices thereof, and as to trade practices and charges, and to keep such systems of accounts, as may be necessary for the purpose of this act.

##### PROCESSING TAX

SEC. 9. (a) To raise revenues for the payment of extraordinary expenditures incurred by reason of the national economic emergency there shall be levied, assessed, and collected, during the marketing period (as ascertained and prescribed by regulations of the Secretary of Agriculture) for any basic agricultural commodity with respect to which rental or benefit payments are made under this act, in connection with reductions in the acreage of the crop, or in the production, for market during such period, a tax to be paid by the processor on the first domestic processing of the commodity, whether of domestic production or imported. Such tax shall, except as hereinafter provided, equal the difference between the current average farm price for the commodity and the fair exchange value of the commodity. Such value for any commodity shall be the price therefor which will give the commodity the same purchasing power, with respect to articles farmers buy, as during the pre-war period, August 1909—July 1914. The current average farm price and the fair exchange value shall be ascertained by the Secretary of Agriculture from available statistics of the Department of Agriculture.

(b) If the Secretary of Agriculture, after investigation and due notice and opportunity for hearings to interested parties, finds at any time that the imposition of the tax at the rate hereinbefore provided has resulted or is likely to result in a substantial reduction in the quantity of the commodity or products thereof domestically consumed, he shall fix such lower rate as is necessary to maintain or restore such domestic consumption. Such rate may be revised from time to time pursuant to further findings under this subsection. In making any such finding the Secretary shall give due consideration to the following factors among others:

(1) Reports as to wage scales, employment, and unemployment in urban regions.

(2) Changes in the consumption of the agricultural commodity and of other commodities.

(3) Evidence derived from statistical studies of supply and demand for previous periods which indicate the change in consumption of the commodity which would normally occur in consequence of a particular change in the cost to processors or consumers.

(4) Other relevant data as to changes in the cost of living of consumers, consumers' buying habits, and current and prospective conditions in industry pertinent to determining the probable effective demand for the commodity.

##### MISCELLANEOUS

SEC. 10. (a) The Secretary of Agriculture may appoint such officers and employees, subject to the provisions of the classification act of 1923 and acts amendatory thereof, and such experts as are necessary to execute the functions vested in him by this act; and the Secretary may make such appointments without regard to the civil-service laws or regulations: *Provided*, That no salary in excess of \$10,000 per annum shall be paid to any officer, employee, or expert of the Emergency Agricultural Adjustment Administration which the Secretary shall establish in the Department of Agriculture for the administration of the functions vested in him by this act.

(b) The Secretary of Agriculture is authorized to establish, for the more effective administration of the functions vested in him by this act, State and local committees, or associations of producers, and to permit cooperative associations of producers, when in his judgment they are qualified to do so, to act as agents of their members and patrons in connection with the distribution of rental or benefit payments.

(c) The Secretary of Agriculture is authorized, with the approval of the President, to make such regulations with the force and effect of law as may be necessary to carry out the powers vested in him by this act. Any violation of any regulation shall be subject to such penalty, not in excess of \$100, as may be provided therein.

(d) The Secretary of the Treasury is authorized to make such regulations as may be necessary to carry out the powers vested in him by this act, including regulations, with the force and effect of law establishing conversion factors for any commodity and article processed therefrom to determine the amount of tax imposed with respect thereto, and defining processing with respect to any commodity.

(e) The action of any officer, employee, or agent in determining the amount of and in making any rental or benefit payment shall not be subject to review by any officer of the Government other than the Secretary of Agriculture or Secretary of the Treasury.

(f) The provisions of this act shall be applicable to the United States and its possessions, except the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam.

(g) No person shall, while acting in any official capacity in the administration of this act, speculate, directly or indirectly, in any agricultural commodity or product thereof, to which this act applies, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this subsection shall upon conviction thereof be fined not more than \$10,000 or imprisoned not more than 2 years, or both.

##### COMMODITIES

SEC. 11. As used in this act, the term "basic agricultural commodity" means wheat, cotton, corn, hogs, cattle, sheep, rice, tobacco, and milk and its products, and any regional or market classification, type, or grade thereof; but the Secretary of Agriculture shall exclude from the operation of the provisions of this act, during any period, any such commodity or classification, type, or grade thereof if he finds, upon investigation at any time and after due notice and opportunity for hearing to interested parties, that the conditions of production, marketing, and consumption are such that during such period this act cannot be effectively administered to the end of effectuating the declared policy with respect to such commodity or classification, type, or grade thereof.

##### APPROPRIATION

SEC. 12. (a) The proceeds derived from taxes imposed under this act, or so much thereof as may be necessary, are hereby appropriated to be available to the Secretary of Agriculture for rental and benefit payments and administrative expenses, including refunds under this act, personal services in the District of Columbia and elsewhere, contract stenographic reporting services, and printing and paper in addition to allotments under existing law.

(b) The Secretary of Agriculture and the Secretary of the Treasury shall jointly estimate from time to time the amounts currently required for such payments and expenses, and the Secretary of the Treasury shall advance to the Secretary of Agriculture the amounts so estimated. The amount of such advance shall be deducted from such funds as subsequently become available under subsection (a).

(c) The Secretary of Agriculture shall transfer to the Treasury Department and is authorized to transfer to other agencies, out of funds available under this section, such sums as are required to pay administrative expenses incurred and refunds made by such department or agencies in the administration of this act.

##### TERMINATION OF ACT

SEC. 13. This act shall cease to be in effect whenever the President finds and proclaims that the national economic emergency



in relation to agriculture has been ended; and pending such time the President shall by proclamation terminate with respect to any basic agricultural commodity such provisions of this act as he finds are not requisite to carrying out the declared policy with respect to such commodity. The Secretary of Agriculture shall make such investigations and reports thereon to the President as may be necessary to aid him in executing this section.

#### SEPARABILITY OF PROVISIONS

SEC. 14. If any provision of this act is declared unconstitutional, or the applicability thereof to any person, circumstance, or commodity is held invalid, the validity of the remainder of this act and the applicability thereof to other persons, circumstances, or commodities shall not be affected thereby.

#### SUPPLEMENTARY REVENUE PROVISIONS—EXEMPTIONS AND COMPENSATING TAXES

SEC. 15. (a) If the Secretary of Agriculture finds, upon investigation at any time and after due notice and opportunity for hearing to interested parties, that any class of products of any commodity is of such low value compared with the quantity of the commodity used for their manufacture that the imposition of the processing tax would prevent in whole or in large part the use of the commodity in the manufacture of such products and thereby substantially reduce consumption and increase the surplus of the commodity, then the Secretary of Agriculture shall so certify to the Secretary of the Treasury, and the Secretary of the Treasury shall abate or refund any processing tax assessed or paid after the date of such certification with respect to such amount of the commodity as is used in the manufacture of such products.

(b) No tax shall be required to be paid on the processing of any commodity by the producer thereof on his own premises for consumption by his own family, employees, or household; and the Secretary of Agriculture is authorized, by regulations, to exempt producers from the payment of the processing tax with respect to hogs, cattle, sheep, or milk and its products, in cases where the producer's sales of the products resulting from the processing of the commodity do not exceed \$100 per annum.

(c) Any person delivering any product to any organization for charitable distribution or use shall, if such product or the commodity from which processed is under this act subject to tax, be entitled to a refund of the amount of any tax paid under this act with respect to such product so delivered.

(d) The Secretary of Agriculture shall ascertain from time to time whether the payment of the processing tax upon any basic agricultural commodity is causing or will cause to the processors thereof disadvantages in competition from competing agricultural commodities by reason of excessive shifts in consumption between such commodities or products thereof. If the Secretary of Agriculture finds, after investigation and due notice and opportunity for hearing to interested parties, that such disadvantages in competition exist, or will exist, he shall proclaim such finding. The Secretary shall specify in this proclamation the competing agricultural commodity and the compensating rate of tax on the processing thereof necessary to prevent such disadvantages in competition. Thereafter there shall be levied, assessed, and collected upon the first domestic processing of such competing agricultural commodity a tax, to be paid by the processor, at the rate specified, until such rate is altered pursuant to a further finding under this section, or the tax or rate thereof on the basic agricultural commodity is altered or terminated. In no case shall the tax imposed upon such competing agricultural commodity exceed that imposed per like unit upon the basic agricultural commodity. The term "competing agricultural commodity" shall include, among others, rayon, silk, linen, and oleomargarine, and any basic agricultural commodity as to which a tax is not in effect under section 9.

(e) During any period for which a processing tax is in effect with respect to any commodity there shall be levied, assessed, collected, and paid upon any article processed or manufactured wholly or in chief value from such commodity and imported into the United States or any possession thereof to which this act applies, from any foreign country or from any possession of the United States to which this act does not apply, a compensating tax equal to the amount of the processing tax in effect with respect to domestic processing at the time of importation. Such tax shall be paid prior to the release of the article from customs custody or control.

#### FLOOR STOCKS

SEC. 16. (a) Upon the sale or other disposition of any article processed wholly or in chief value from any commodity with respect to which a processing tax is to be levied, that on the date the tax first takes effect or wholly terminates with respect to the commodity is held for sale or other disposition (including articles in transit) by any person other than a consumer or a person engaged solely in retail trade, there shall be made a tax adjustment as follows:

(1) Whenever the processing tax first takes effect, there shall be levied, assessed, and collected a tax to be paid by such person equivalent to the amount of the processing tax which would be payable with respect to the commodity from which processed if the processing had occurred on such date.

(2) Whenever the processing tax is wholly terminated, there shall be refunded to such person a sum (or if it has not been paid, the tax shall be abated) in an amount equivalent to the processing tax with respect to the commodity from which processed.

(b) Notwithstanding the provisions of subsection (a), such subsection shall apply with respect to such portion of retail stocks on hand at the date the processing tax takes effect as is not sold or otherwise disposed of for consumption within 1 month after such date.

#### EXPORTATIONS

SEC. 17. (a) Upon the exportation to any foreign country (including the Philippine Islands, the Virgin Islands, American Samoa, and the island of Guam) of any product with respect to which a tax has been paid under this act, or of any product processed wholly or in chief value from a commodity with respect to which a tax has been paid under this act, the exporter thereof shall be entitled at the time of exportation to a refund of the amount of such tax.

(b) Upon the giving of bond satisfactory to the Secretary of the Treasury for the faithful observance of the provisions of this act requiring the payment of taxes, any person shall be entitled, without payment of the tax, to process for such exportation any commodity with respect to which a tax is imposed by this act, or to hold for such exportation any article processed wholly or in chief value therefrom.

#### EXISTING CONTRACTS

SEC. 18. (a) If (1) any processor, jobber, or wholesaler has, prior to the date of approval of this act, made a bona fide contract of sale for delivery after such date of any article in respect of which a tax is imposed under this act, and if (2) such contract does not permit the addition to the amount to be paid thereunder of the whole of such tax, then (unless the contract prohibits such addition) the vendee shall pay so much of the tax as is not permitted to be added to the contract price.

(b) Taxes payable by the vendee shall be paid to the vendor at the time the sale is consummated and shall be collected and paid to the United States by the vendor in the same manner as other taxes under this act. In case of failure or refusal by the vendee to pay such taxes to the vendor, the vendor shall report the facts to the Commissioner of Internal Revenue who shall cause collections of such taxes to be made from the vendee.

#### COLLECTION OF TAXES

SEC. 19. (a) The taxes provided in this act shall be collected by the Bureau of Internal Revenue under the direction of the Secretary of the Treasury. Such taxes shall be paid into the Treasury of the United States.

(b) All provisions of law, including penalties, applicable with respect to the taxes imposed by section 600 of the Revenue Act of 1926, and the provisions of section 626 of the Revenue Act of 1932, shall insofar as applicable and not inconsistent with the provisions of this act, be applicable in respect of taxes imposed by this act: *Provided*, That the Secretary of the Treasury is authorized to permit postponement, for a period not exceeding 60 days, of the payment of taxes covered by any return under this act.

(c) In order that the payment of taxes under this act may not impose any immediate undue financial burden upon processors, any processor subject to such taxes shall be eligible for loans from the Reconstruction Finance Corporation under section 5 of the Reconstruction Finance Corporation Act.

Mr. JONES. Mr. Speaker, I ask to be notified when I have used 10 minutes.

Mr. Speaker and Members of the House, I have always been honest with the House of Representatives. In ordinary times I would not support a measure of this kind. If I had my own way, I would place first the refinancing of farm mortgages. [Applause.] I am happy to tell you that a provision of that kind is being planned and will be offered as soon as practicable. [Applause.]

The merging of the different farm-lending agencies under one head is being wrought out. This should provide a system of financing outside of regular commercial channels. High interest rates have long been the curse of agriculture.

The question of freight rates was discussed by the gentleman from New York. That is a subject I have repeatedly discussed in the House. We are in accord on the importance of freight rates, but in all the conferences that have been discussed during previous administrations that question did not receive much attention. At any rate, little action resulted. It is manifestly wrong for 10-cent corn to pay 30-cent transportation from Iowa to New York. [Applause.]

Another thing that needs correction is the unfairness of our trade barriers and a tariff system in which surplus agricultural products can have no part. I would, either through debenture or through the issuance of reciprocal-trade warrants, give farm products produced in surplus quantities an equality in the tariff system, whether high or low. In other words, I would place agriculture on the same dead level with industry in every way.

That is my program, but I am only 1 out of 435 Members. We have been discussing and trying to secure these



things for 10 years while agriculture has been languishing. We are in a desperate emergency. The paralysis that has seized agriculture has crept up on industry. Even our institutions have almost been trembling in the balance. Why quibble about rules and about amendments? We are at war, and war is the grimest business that ever engaged the attention of mankind. While this war is on, I am going to follow the man at the other end of the Avenue, who has the flag in his hand. [Applause.] I am not going to quarrel with the Commander in Chief while the great emergency is on. If we give him some powers that are not suited to ordinary times, they can be taken away, and I am sure that he would surrender such powers when the emergency is past. Suppose we had stopped for open consideration of amendments on the banking bill. When the new Commander in Chief came into power, every bank in America was closed. We were in an appalling situation. Through his prompt and courageous action that situation has been saved.

There come times when 435 men do not have time to stop to argue and get together and adjust differences. I am in favor of giving these strong powers in this tremendous emergency in accordance with the desires of the President of the United States, and I am going down the line on that, notwithstanding my personal views.

The President himself says frankly that this is an experiment, that we are in the midst of emergency conditions, that is the reason for urging haste. One feature of the bill relates to a land-leasing proposal, to try to keep crops out of production so that they will not topple over with even greater surpluses. If that is to be effective, if this job is to be done, if it is to have an even chance to accomplish its purpose, it ought to be done at an early date. The bill is not anything like so complicated as one might think at first blush and glance. If you run through the bill, you will find that it is based upon a declaration of policy, simply to try to give the agricultural products named over in the latter part of the bill the same purchasing power that they had in pre-war days. Can anyone deny the fairness of that? We have had some talk about taxes. There will be no tax of any kind when fair prices are reached. It is the declared policy of those who will administer the bill to approach this gradually, as provided in subdivision 2 on page 2. It is not thought that they will undertake at once to levy a processing tax or fee of anything like the difference between the prevailing prices of agricultural products and the pre-war prices but will gradually approach the matter.

Title I is practically the old Smith cotton bill, which takes the 2,360,000 bales of cotton on which the Government has loans in excess of its value, and to contract with farmers who will reduce their production to set apart any profits on that cotton bale for bale with their reduction of production. It is an effort, with nine and a half million bales of cotton in America in the carry-over, more than a year's supply, without appreciable cost to the Government to get back to a normal basis. The first part of the bill—in title II—provides for reduction in acreage or production, or both, in the farm commodities that are named in the bill. They may use either method they wish to use. In carrying out the purposes of the bill the administrative authorities may make marketing agreements with processors in order to endeavor to carry out the provisions of the bill. They may require licenses if anyone endeavors to abuse the privileges in these days as they did in other war days. This is intended to prevent gouging. There is no evidence, according to those who have explained the purpose of the bill and who will administer it, to use anything like a general licensing system, but in an emergency, perhaps in some instances in localities, they may do so.

In order to raise the funds required for carrying out the purposes of the measure a processing fee is authorized. It may be a small one, and it probably will be. It may be on just 1 or 2 commodities at first. That will be left to the President and the Secretary of Agriculture, so that they may proceed cautiously. I am sure they will. The President has said that if this does not work out properly he

will be the first to admit that it is a failure, and will cast it aside.

We have had complaints about experimenting. We can not have any recovery in this country with 10-cent corn, 6-cent cotton, and 30-cent wheat. I know a great many people who thought they were being ruined by the banking bill. No doubt every Member here received long-distance calls and telegrams from people who thought they were being destroyed by the banking powers conferred upon the President, but the President was able to work it out, and perhaps he can do it in this instance. Let us give him a chance.

Mr. GOSS. Mr. Speaker, will the gentleman yield?

Mr. JONES. I prefer not to, unless it is just for a question.

Mr. GOSS. It is only for a question. I am wondering if it is contemplated in the bill to bring in a deficiency appropriation bill if this tax or processing fee is not sufficient to carry that out.

Mr. JONES. The measure is intended to be self-sustaining. It provides the funds for its own purposes. There is little, if any, chance of a Treasury loss. In fact, no other funds are provided.

Criticism has been made of the provision in the bill that the Secretary may make such appointments of officers without regard to the civil service laws or regulations. That is permissive. This is an emergency. It may be necessary to get some good men at once. They will probably use the civil service on most of these; but if we are going to do emergency business, we ought not to wait to conduct civil-service examinations to get started. It is not to be without the civil service. It is simply left to the discretion of the Secretary.

Mr. LOZIER. Will the gentleman yield?

Mr. JONES. I yield.

Mr. LOZIER. Is it not true that that same provision is in the Reconstruction Finance Corporation Act?

Mr. JONES. I understand it is.

The commodities named will be found in section 11. I will not take the time to read them.

The act may be terminated at any time the President may, in his judgment, feel that the emergency has passed. I think it is unlikely that it would extend any great length of time. We are all hoping for a turn for the better.

On page 15 you will find an exemption allowed on hogs, cattle, sheep, or milk and its products, to the extent of \$100 per annum, to take care of little incidental marketing of local people.

The Secretary of Agriculture is given broad powers in making adjustments in the tax if competing products get into the picture. He is given broad leeway. I do not see how you can develop a power of this kind at all unless you do give broad discretion in the handling and adjusting of it. I do not think they are going to make conditions any worse. God knows, we all hope it will make it better.

There is a provision made under section 18 for existing contracts; a refund is also allowed on commodities and goods that are exported.

There are some very simple principles involved, and most of what they talk about in the way of complications are administrative details. A number of them have been worked out by the Treasury Department and others essentially to make the measure uniform in its operations.

My friends, I believe the American people are rallying to the new President as they have rallied to but few men in our generation. They are thrilling with a new hope, a hope born of faith in a man—a man who has courage and who is unafraid. Like millions of others who have pinned their faith to him, I believe he will lead us out of the darkness into the light of a new day. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. CLARKE of New York. Mr. Speaker, I yield to myself 10 minutes.

Mr. Speaker, like my chairman, I recognize that we are in a great national agriculture emergency. I believe that the floor leader on the Republican side gave a program that



is more sensible, more practical, and will bring help to the farmer much quicker than all of the bunk in this particular bill. Meet the mortgage situation mercifully and lighten the interest burden when it can be done. Reduce taxes by reducing the expenses of government. We can help; the State and local governments must do their share.

I have talked with Republican and Democratic Members who have tried to study and analyze this bill, and there is not one of them who will not admit the bill is the child of the jigsaw-puzzle age. The more you dig into it the more complex does it become.

That national agriculture needs help and needs it quickly every thinking man must agree, but when the effort to restore prewar parities is done through the Government a great number of other interests in the United States rise up to claim, in a government of equality, that they are entitled to recognition under the program. The strongest argument against this bill is that all the principal farm leaders have endorsed it, and I am just wondering whether that endorsement has not been due to the lurking ambition that was in their systems that these 10 commodity councils that are to be set up under this bill provide ten \$10,000 jobs.

This Roosevelt-Wallace farm bill provides for increasing the purchasing power of agriculture to the equivalent of what it was in 1909-1914.

#### PLAN

It hopes to accomplish this through reduction in crop production and reduction in acreage.

#### COTTON

The cotton producer, under this bill, gets an option—"Heads he wins, tails Uncle Sam loses." If the cotton producer will reduce his 1933 production by 30 percent, he can buy the equivalent amount of cotton he reduces his production up to January 31, 1934.

The number of bales of cotton involved, as nearly as I can figure it out, are 2,296,490 bales, and the amount of money advance is around \$94,000,000.

As to the 8 agricultural commodities provided for in this bill, it is proposed to set up 8 commodity councils, 1 for each commodity, and the head of each council to receive \$10,000 per year, with each commodity to stand on its own bottom.

#### PROCESSING TAX

A glorified sales tax through which the processor puts up six or eight hundred million dollars that the general public will have passed on to it. If the processor can not finance himself, he can borrow of Uncle Sam through the Reconstruction Finance Corporation.

#### LICENSES

The Secretary of Agriculture has power to issue licenses:

1. Processors.
2. Association of producers (cooperatives).
3. Other interests.

To handle "any basic agriculture commodity or product."

Object: Elimination of unfair trade practices or interference with the declared policy of this bill.

#### AMOUNT OF PROCESSING TAX

The difference between the current average farm price and the fair exchange value. The objective is to give each commodity the equivalent of its purchasing value, 1909-1914; the amount of the tax is a question of statistics, but each commodity is put in the same pot and the law of general average is struck. This is most involved, but it gives the professors, economists, farm leaders, and statisticians a multitude of jobs, and they do away with the civil service to help deserving Democrats.

There are endless details in this new effort to establish parity for agriculture, but time forbids discussing them, so I pass on to you my conclusions:

First. Legally grave constitutional questions are involved, but in the conferences held before this bill was drafted I am assured the diversified interests all intend to see if they can work under this bill and survive.

Second. Administrative—the most difficult, complicated piece of agricultural legislation ever proposed and the great-

est power ever conferred upon any member of any Cabinet in peace times in the history of this Government.

Third. Benefits: I do not believe it can be set up quickly enough or made to resolve the theoretical benefits back to our farmers in time to save many of them from the loss of their homes and bankruptcy.

I have hoped with an open mind the Roosevelt farm bill would do the job we all want done. Maybe this bill will do part of it, maybe I am mistaken; I have been many times before; maybe the President and his advisers are right; he is the chosen leader; and, in spite of the fundamental objections I see to this bill, in spite of the failure of the Democrats to back up President Hoover, I shall, not as a Republican but as a patriot, vote for this bill and pray that it will accomplish all its proponents claim it will.

If it fails our farmers in their grave extremity and crisis I will feel that the final pound of flesh has been taken as the price of the hellishness and horror of war, and the final tragedy lies in 6,000,000 farm homes scattered all over the United States.

Mr. JONES. Mr. Speaker, I yield 10 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Speaker, last summer, when I listened to Mr. Roosevelt outline his program to the people of this country pledging himself to the "forgotten man", which included agriculture, I immediately got on his bandwagon until the votes were counted and he was elected President of this great Republic.

On the 4th of March, standing within 30 or 40 feet of the President and listening to his wonderful inaugural address, when he again rededicated himself to the task of defeating the international bankers and speculators of this country, who have bled the American people white, I stated that I was perfectly willing to go along with the President. And in every request to this good hour I have stood by the President, and am not ashamed of my position. When this bill was sent to the House, and in speaking with the Secretary of Agriculture about proposing some changes, he stated that he did not want any changes in the bill because if any were made he would have to submit the same to the President. When it came to the question of introducing this bill and getting behind the President's program, I said that I was perfectly willing to introduce the bill and get behind the President's farm-relief program to the last ditch.

Mr. Speaker, I agree with my colleague, Mr. JONES, of Texas, that the refunding and refinancing of land mortgages are of the greatest importance. In fact, may I state to you that this is one of the most important things now pending before Congress. I introduced a bill during the last session of Congress for this purpose, which has received no consideration at the hands of the Committee on Banking and Currency.

Another thing that needs consideration, and needs it before this Congress adjourns, is the refunding and refinancing of drainage districts and irrigation districts. This matter affects 34 States and 5,000,000 farmers of this country. Many of these districts and thousands of these farmers are facing bankruptcy today and, unless they receive this relief during this session of Congress, many of them will be forced into tenant homes and breadlines.

I also agree with the gentleman from Texas that one of the most important questions before the Congress is the reduction of freight rates on agricultural products.

What do we propose to do under this bill? If you will turn to the report, you will notice the present prices are considerably below the pre-war prices on all farm products. We propose in an orderly way to bring cotton, for instance, from 6 cents per pound, which is the price today, to the pre-war price of 12 or 13 cents. By so doing we propose to restore the purchasing power of that great agricultural South. We propose to treat wheat in the same way we treat cotton; and various other major farm products will be treated likewise.

Complaint has been made about the drastic powers we propose to give to the Secretary of Agriculture under this



legislation. Reference has been made to the licensing feature of the bill. Various Members want the license feature stricken from the bill and leave the processor, the manufacturer, and those who handle farm products to go unhampered in connection with the operation of this program.

Mr. Speaker, my only regret in voting for this bill is that I am not permitted to give the President the same power in dealing with agriculture that we gave him in dealing with the banking interests of this country; I am willing to give to the President absolute power and control over production, the marketing of farm products, and the fixing of a minimum price until we can bring agriculture out of the serious difficulty it is in today.

Agriculture unorganized, each farmer trying to work out his own problem as an individual, makes it impossible for the farmer to control his production, marketing, or the prices received for his products. In the meantime he is being robbed by every other interest or monopolized combination, which is able to fix and control not only prices paid for farm products but prices paid by consumers.

Mr. Speaker, just the other day the American Tobacco Co. issued a statement showing that this corporation had made a net profit of 25 per cent on the tremendous capital invested, after all expenses and taxes had been charged off.

I understand that the net profits on the part of these large tobacco corporations amount to more than the farmers receive for all of the tobacco produced by them; and yet, my friends, you do not want to give to the President the right to license the American Tobacco Co. and other processors or manufacturers of farm products so that he will be able to tell them where to get on and where to get off when they try to interfere with this plan.

Now, what would it mean if we were to give to agriculture the pre-war basis price? Is there anything wrong in placing farm prices on a parity with industrial prices or the things that farmers have to buy? Before the war, as a merchant, I bought and sold farm wagons for \$50 or \$60 to my customers, and at a profit, if you please. In the meantime the farmers of this section of South Carolina doing business with me were able to pay the price of a wagon with 1 bale of cotton, just the other day I happened to write in for prices on wagons for my own farm and they wanted \$90 for the same wagon, and it would take 3 perfectly good bales of cotton off of my farm to pay for 1 wagon.

I want to tell you, my friends, with this kind of condition on the part of those who are able to combine and establish trade practices and codes of ethics in doing business, thereby fixing and controlling prices of farm products as well as prices to the consumer, there is no hope for agriculture.

Mr. MAPES. Would it interrupt the gentleman to ask him a question?

Mr. FULMER. I yield to the gentleman.

Mr. MAPES. On page 6, subdivision 2 of section 8, the Secretary of Agriculture is authorized to enter into agreements with processors and others who handle agricultural products. The section does not say anything about what the terms of the agreements shall be. Can the gentleman give the House some idea what is contemplated by this section?

Mr. FULMER. I may say to the gentleman that the purpose of that section is that if they find it necessary in order to bring about orderly distribution and a fair price for farm products, the Secretary will be able to make marketing agreements with processors, associations of producers, and other agencies. This would apply to farm products like potatoes and other products sold without processing.

Mr. MAPES. The section also authorizes loans from the Reconstruction Finance Corporation.

Mr. FULMER. Yes.

Mr. MAPES. Is it proposed by this language to allow these associations to buy agricultural products somewhat like the Farm Board has done, to stabilize the price of agricultural products?

Mr. FULMER. No; I do not think that is the purpose at all. The Government is not proposing to go into any line of business unless it is forced into it.

Mr. MAPES. This gives the Secretary of Agriculture very broad powers.

Mr. FULMER. We have given to the Secretary of Agriculture very broad powers, operating under rules and regulations agreeable to the President, and we are perfectly willing to leave it to the Secretary of Agriculture and the President.

The first portion of the bill includes the Smith plan, which has been discussed at different times. The bill also contains the domestic-allotment plan, introduced by me last June and by my colleague [Mr. JONES], chairman of the committee during the closing days of the last session of the Congress. The bill also includes a rental-basis plan, whereby farmers may receive benefits under either plan, or whichever plan is put into operation in connection with the various products.

Mr. McKEOWN. May I inquire if there are any published figures showing the prices of these commodities during the period referred to?

Mr. FULMER. The gentleman will find these figures in the report on page 2.

Mr. PETTENGILL. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. PETTENGILL. I understand the Grange and the Bureau have endorsed the bill; can the gentleman state the position of the Farmers' Union on the bill?

Mr. FULMER. It is my understanding that all of the farm groups have endorsed this legislation.

Mr. Speaker, in closing, may I state that if the farmers of this country and the processors and handlers of farm products will join heartily and honestly with the Secretary of Agriculture and the President of the United States, it is my belief that it will not be long before agriculture will be well on the road to recovery.

Mr. CLARKE of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. CHASE].

Mr. CHASE. Mr. Speaker, ladies and gentlemen of the House, this bill is bad legislation, yet I intend to vote for it, and I would like to tell you why.

In my home State of Minnesota 7,000,000 acres, much of it agricultural land, has reverted to the State for nonpayment of taxes. Farmers there have lost their farms, have lost their homes, have lost all the property they have amassed in a lifetime of toil. Taxes are so high and farm prices so low they no longer can bear their burden.

They have been promised, and have every right to expect, agricultural relief. Anything that in any way will prove helpful to them demands the support of any Representative from their State, and that is the sole test which determines my vote today.

This Nation is in the midst of a period of national hysteria, where the principles of a representative democracy are being forgotten and the theory of a benevolent autocracy ardently embraced.

Within 2 weeks we have placed in the hands of a dictator supreme control of the wealth of America. We have broken faith with disabled veterans, whose disabilities were war-incurred, and with our soldier dead, whose widows and orphans we are bound in honor to protect.

This bill proposes to create another dictator—this time a subordinate dictator—and place in his hands the future and the welfare of agriculture.

In his message the President said:

I tell you frankly that it is a new and untrod path; but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair administrative trial of it is made and it does not produce the hoped-for results, I shall be the first to acknowledge it and advise you.

That is, the advocates of this measure have little confidence in it, and promise that if it fails the experiment will be stopped immediately.

Relying on this promise, and consistent with our pledge to agriculture, I shall vote in the affirmative today.



As to the bill itself, there is only one test. Will it help agriculture? I fear that it will not.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. CHASE. I yield.

Mr. OLIVER of Alabama. So the gentleman has found nothing virtuous or meritorious in the bill.

Mr. CHASE. So far I have found little of virtue in the bill.

Mr. OLIVER of Alabama. Since it appears from the gentleman's statement that he has given considerable study to legislation demanded by the farmer, and since there will be an opportunity to recommit the bill, I hope the gentleman will offer a bill which he can affirm is better than this, so that the House may have an opportunity of voting on what the gentleman feels should be passed and what he insists the farmers want.

Mr. CHASE. In theory, the act is wrong. It is an impractical vision, attempting to unite in one measure many plans for agricultural relief, but proposing to leave the machinery and the actual operation of this conglomerate measure to administrative discretion.

Beyond doubt it will lead into troubles now entirely unforeseen. What a striking illustration of the lack of wisdom of the present administration was seen yesterday when the House, within 2 weeks of the time when the first banking bill was forced through, passed a second measure to undo the harm done by the first.

This bill creates another dictatorship, with the Secretary of Agriculture in the title role. There is no limit to the expenditures which he can incur. In proof, read section 10-A, on page 9. Even the size of the tax is to be determined by the Secretary of Agriculture. In addition thereto he may appoint such officers and employees without number, subject alone to his own judgment. It does nothing to relieve agriculture of the twin burdens of farm mortgages and transportation charges.

Sponsors of the bill refuse to predict any commodity legislation. The Secretary of Agriculture refuses to predict such legislation, and the President has outlined none.

Consequently all benefits to agriculture from this bill are uncertain, if any. Not a farm leader from my State of Minnesota, whom it has been possible to contact, has been willing to express himself as whole-heartedly for this bill. Without exception they avoid, hesitate, or disapprove.

Not only is the theory of the measure wrong but the mechanics of the plan are wrong. This bill not only contemplates but expressly provides for another vast political organization to be maintained and paid for at the expense of the taxpayers without limit as to the number of employees and without limit as to the amounts they shall receive, except that imposed in the measure now before you of \$10,000 annual salary—a larger sum than is now paid to any Member of either body of the Congress.

This bill creates a second farm board without abolishing the first board. Decisions hereunder will be beyond review of any court, and the measure makes express provision to that effect. Proof of this statement is found in subdivision E of section 10.

Here is a telegram from one of the best-known farm leaders in Minnesota to another recognized agricultural authority:

I am very much concerned with the present proposed farm plan as reported in the press. It begins to assume the appearance of a political pacifying act, including a part of every plan so far proposed. Every possible chance of an experiment should be eliminated from this plan. We cannot afford to take a chance of a failure. It would be the part of wisdom to include much less as a program and have it sound insofar that it will accomplish what it is supposed to do. The new plan invites severe criticism from the processors that I am afraid will spread to the consumer. It is not clear to me how the several plans can be united and be made to function properly. I am afraid it is inviting disaster, which is the most important thing to avoid at this time.

Here is another one:

Hope President's wish to experiment on aid for agriculture warrants your support. It should.

That is the point of this talk. I, too, hope that this experiment warrants our support. But does it?

This bill is bad legislation, because it will work actual hardship to every processor of farm products. There is not a packing plant, not a flour mill, and not a creamery, so far as I have been able in this short time to find, in the entire State of Minnesota, which favors the provisions of this bill. They are compelled to take out a license in order to transact their own private business. They are subject to a fine of \$1,000 a day if they do not, and are required to prepare reports as to quantity of commodities or products they buy and sell, as to trade practices and charges, and to keep such a system of accounts as may be directed by the Secretary of Agriculture.

With this act today, they are thoroughly dissatisfied. It is more than possible that their dissatisfaction will spread to the people of the various States.

It is an open question as to whether or not a sales tax is desirable. Proponents of a sales tax specifically exempt from its provisions those articles which constitute the major portion of the purchases of the poor—foodstuffs and cheap clothing. This bill puts a glorified sales tax on the major articles of food used by the poor; that is, on bread, butter, beef, pork, and mutton; and on cotton clothes. From this floor, it has been stated many times during the past few days that in the United States, there are 12,000,000 unemployed men and women, and that 3,000,000 more are employed only a small part of the time. How can these men or these women without employment, and without money, barely able to secure the necessities of life, suddenly become able to pay enough more for food and clothing, to build up a fund of many millions of dollars to reimburse farmers for land rental or crop reduction?

Where does the American Federation of Labor stand on this bill? Where do the business and professional men of Minnesota stand?

Mr. PETTENGILL. Will the gentleman yield?

Mr. CHASE. Yes.

Mr. PETTENGILL. If the gentleman finds so much fault with the bill, why does he not vote against it?

Mr. CHASE. For these reasons:

The only advice in favor of this bill that has come to me in response to repeated inquiries in my home State is the advice to stand by the President. This bill is his bill, and the bill of his experts. It is presented as the finest piece of legislation that their best minds can produce. I regard it as thoroughly bad. They promise to drop it the second it proves a failure. In compliance with their wishes, relying on their promises, and in the sincere belief that everything which can be done to help agriculture in its present tragic position should be tried, I shall vote "aye" on this measure.

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Speaker, ladies and gentlemen of the House, I would that I had the time to answer the distinguished gentleman from Minnesota [Mr. CHASE], but suffice it to say that it is much easier to tear down an edifice than it is to build one.

We all agree that some legislation must be enacted speedily to relieve the existing national economic emergency by increasing agriculture's purchasing power by raising the price of agricultural commodities for the benefit of the producer.

This bill declares its purpose to be to secure such a balance between agriculture and industry as will give farm crops the buying power which they had in the period from 1909 to 1914, while at the same time seeking to protect the consumer's interest.

President Roosevelt on March 16, 1933, sent a stirring message on this subject to Congress in which he in part said:

I tell you frankly that it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair administrative trial of it is made and it does not produce the hoped-for results I shall be the first to acknowledge it and advise you.

As a Member of this Congress and being a member of the powerful Agriculture Committee of this House and coming from Mississippi, a great agricultural State, this forceful and inspiring message of this peerless leader brought to me re-



newed hopes and strengthened courage in our battle for the relief of distressed agriculture, our basic industry.

With zeal, enthusiasm, vigor, and determination our committee immediately began the consideration of the plans and program of our great President. We have worked night and day, have had experts before us and other witnesses, including the present Secretary of Agriculture, Mr. Wallace, who is the key man to the situation.

We have brought to the floor of this House today for your consideration a bill designed to produce results beneficial to the farmer and thereby helpful to the Nation, if wisely and properly administered.

Would that I had the time to discuss on this floor in your presence this unusual piece of legislation title by title, section by section, but the limited debate forbids, and it is my purpose and desire that as many Members as possible be given an opportunity to express their views on this bill.

Without further trespass upon your time as to the declaration of policy as set forth in the Fulmer bill—H.R. 3835—I most respectfully request that we consider together some of the broad, untried, and far-reaching aspects and provisions of this measure.

At the outset I readily admit that it is an extraordinary proposal and bold experiment, but the times demand it. The Federal Government, as is the case in many other instances, has by necessity been brought into the agricultural picture in this manner as a last resort.

The Secretary of Agriculture is vested with broad powers to curtail production, market crops, and finance his activities by levying a tax on packers, millers, and other processors.

Wheat, cotton, corn, hogs, cattle, sheep, rice, tobacco, and milk and milk products are classed as "basic agricultural commodities".

It is hoped the act will boost the selling price of these commodities by hundreds of millions of dollars, thus increasing the buying power of agriculture.

The bill is a combination of the Smith plan of giving the cottonfarmer an option on cotton now held by the Government in return for an agreement to cut down cotton production, together with what is generally known as the domestic-allotment plan, coupled with some other provisions which I trust I will have time to analyze.

I readily concede that it is impossible to visualize the full effect of this sweeping program upon the American farmer. But agriculture is prostrate, and it is agreed that this plan is purely an emergency measure which, if put into operation and found ineffectual in accomplishing the hoped-for results, will be promptly repealed.

We full well realize the issues are grave, but the dire necessity to expedite farm relief demands some fundamental changes in the agricultural industry. We must do something to get fair returns for this year's crop—1933.

The groundwork of this bill is to reduce production by reducing acreage planted to staple crops, cut down the surplus, insure cost of production plus a fair and reasonable profit to the farmer for his products, and thereby cause the producer to receive a price for the crops he raises that will enable him to buy the products of the factory and pay his obligations.

If this is accomplished to any marked degree, you will then immediately see all business pick up and individuals of all classes able to buy and spend, confidence restored, and our financial circulatory system properly functioning, and prosperity will be at hand throughout the land instead of "just around the corner."

Title 1 of this act relates solely to cotton. It provides, generally, as my limited time necessarily prevents any detailed discussion, that the Federal Farm Board and all other agencies of the Government are directed to sell to the Secretary of Agriculture, at such price as may be agreed upon, all cotton now owned by them; the cotton in which these Government agencies now own an equity or upon which they have loaned money is to be acquired by them on satisfactory terms and this cotton is also to be delivered and title to it in fee simple transferred to the Secretary of Agriculture, who is to pay said agencies a fair price for same.

The Secretary of Agriculture is to borrow the money from the Reconstruction Finance Corporation and put up warehouse receipts for such cotton as collateral.

When title to this cotton by such means is vested in the Secretary of Agriculture he is then authorized to make contracts with the producers of the cotton—the farmers—to the effect that the Secretary of Agriculture is to sell to the farmer an amount of this cotton that he has on hand equivalent in amount to the amount of reduction in production of cotton by such producer below the amount produced by him in the preceding crop year.

This contract between the Secretary of Agriculture and farmer is to be in writing, the farmer agreeing to reduce his cotton crop for the year 1933 below his production in the previous year by not less than 30 percent.

When this contract is entered into, the Secretary of Agriculture delivers a nontransferable option contract agreeing to sell to said producer an amount of cotton equivalent to the farmer's estimated reduction.

The price agreed to be paid by the producer and stipulated in the contract is the average price paid by the Secretary of Agriculture. The producer pays out no money, but in consideration of cutting his production of cotton has a right at any time up to January 1, 1934, to exercise his option upon proof that he has reduced his production of cotton as he agreed to.

When the farmer elects to exercise his option, he either gets the actual cotton contracted for by paying the option price, plus actual carrying charges, and he himself selling it or the Secretary of Agriculture may sell said cotton and pay to the producer the difference in the average price of the cotton at the date of sale over the average price at the date the contract was entered into, after deducting necessary and actual carrying charges. It is further provided that the farmer, in case cotton goes down below the market price on the date of his contract, is not held liable for any financial loss incurred in holding the cotton or the carrying charges on same.

It is further stipulated that the Secretary of Agriculture can sell the cotton at his discretion but has to sell it before March 1, 1935, but at no time to get less than 10 cents per pound for it—basis, middling  $\frac{7}{8}$ -inch staple.

By this means it is the purpose of this act to cause cotton to bring this fall at least 10 cents per pound.

Permit me, in order to make this plain, to give you a practical illustration as to just how this will operate.

Say I am a cottonfarmer, which is true. Say, by way of illustration, that last year, 1932, I raised on my farm 60 bales of cotton. This year, 1933, this law is passed. I hear about it and look up some agent of the Secretary of Agriculture in my community or he comes to me. I tell him I want to take advantage of this law. The agent says "All right. How many bales of cotton did you raise in 1932?" I tell him 60. He says, "I will contract with you if you want to. The terms are these: You cut your production 30 percent this year, which is 18 bales less than you raised last year; also agree not to use the land taken out of cotton production for the production for sale of any other nationally produced agricultural commodity such as wheat or corn, or so forth, and we will make the contract." I agree. The contract is executed in writing, say, April 15, 1933. At that time the average price paid for the cotton by the Secretary of Agriculture is, say, 6 cents per pound, which means a 500-pound bale will bring, or cost, that day \$30. This agent of the Secretary of Agriculture delivers to me a nontransferable option contract agreeing to sell me 18 bales of cotton, the amount I agree to cut my production of cotton for the year 1933 over what I produced in 1932.

This written agreement is entered into on April 15, 1933, when cotton is selling at 6 cents per pound. The Secretary of Agriculture or his agent goes on about his business. I go on about mine. No money is passed. All I have to do is not raise more than 42 bales of cotton this year and not plant the land I let lay out in anything known as a "nationally produced commodity" for the purpose of my selling it and thereby competing with some wheat farmer or corn



farmer somewhere else. I live on my farm and work it, plant, cultivate, and harvest my crops just as I have always done, but I reduce my cotton production 18 bales for this year.

Then, say, November 1, 1933, comes around. I know cotton has gone up. I look up the agent of the Secretary of Agriculture; show him my contract. He asks me have I complied with it? I say yes. He has a right to and no doubt does make some investigation. If he finds I am telling the truth, the 18 bales of cotton that I had an option on are sold. If it brings 10 cents per pound, that is \$50 a bale for a 500-pound bale. I am then paid by the Government the difference in the price the cotton brought on date of sale—November 1—and the contract price as of April 15 less actual carrying charges.

In this illustration the difference is 4 cents per pound on the 18 bales, which I get.

I have a perfect right to sell my other cotton wherever and whenever I choose to.

Say I actually raised 40 bales of cotton; that amount is mine to do with as I like.

I get this money from the Government because I cut my production 30 percent. The Government has not lost anything, for they now have the cotton, and it is only worth 6 cents per pound now. I have paid the carrying charges from now until it is sold and on account of the advance in price have benefited to the extent of the difference in the agreed price at the time I made the contract—April 15—to the time it was sold—November 1, 1933.

In other words, if cotton goes up, I win. If it goes down, I cannot lose, because I am not liable for the carrying charges or decline in price. All I have done is reduced my production of cotton and accepted in lieu thereof the right to share and have the advance in price in the number of bales of cotton now owned by the Government equal to the amount I cut my production this year under last year's crop, being the stipulated number of bales set out in the contract, as agreed to on April 15.

My neighbor for some reason fails to or does not care to make a contract of this character. There is nothing compulsory about it. However, regardless of the number of bales of cotton he produced in 1932, he is eligible to contract just so he is a producer and made cotton or other basic commodities in 1932 and agrees to curtail his production for 1933 at least 30 percent, and further agrees as to the land upon which he does not produce the commodity or commodities specified in the contract.

My neighbor says, however, "I will not avail myself of it. I will raise what I want and as much as I can." That is his privilege. He does not get the benefits contained in the contract. But he is benefited if enough of his fellow farmers sign up to cut production and production is cut so the price of the commodity advances, as everyone has the right to get all he can for his farm products.

But if you do not enter into the contract, you are not paid anything by the Government, even though your production is cut voluntarily or by an act of God.

In other words, the Government says you can take the plan or let it alone—just as you please.

But, to my mind, from the farmer's standpoint it is to his material advantage to execute the contract and live up to it according to its terms.

On account of the limited time I have and the number of others interested, who desire time to discuss this measure, I realize that it will be impossible for me here to logically analyze this bill as a whole and discuss its many provisions or consider its relations to the other basic commodities named therein and explain the machinery set up and the powers vested in the Secretary of Agriculture.

However, if you will permit me, as I am from a great cotton State and my immediate district is largely a cotton section, I will very briefly discuss title II with reference to its general provisions and further application to cotton.

#### TITLE II

The Secretary of Agriculture is given authority to enter into marketing agreements with the processors and other

agencies engaged in the handling of any of the agricultural commodities mentioned as basic agricultural commodities, to wit, wheat, cotton, corn, hogs, cattle, sheep, rice, tobacco, milk and its products, and any regional or market classification type or grade thereof.

He may either include them or exclude them as he deems conditions and circumstances warrant. He may issue and revoke licenses, upon investigation, as the circumstances in his judgment demand. He can prevent unfair practices or charges by the processor or any agency in the marketing, financing, or handling of such commodity, and impose penalties therefor.

The Secretary of Agriculture, by means of what is known as a "processing tax", is vested with the authority to raise revenues for the payment of extraordinary expenditures incurred by reason of this national economic emergency.

The tax so imposed on the first processor of such commodities shall, subject to the exceptions therein contained, equal the difference between the current average farm price for the commodity and the fair exchange value of the commodity.

The current average farm price and the fair exchange value shall be ascertained by the Secretary of Agriculture from available statistics of the Department of Agriculture and be the price which will give the commodity the same purchasing power with respect to articles farmers buy as during the pre-war period—August 1909 to July 1914. In other words, as regards cotton, the fair exchange value of cotton, using the pre-war period from August 1909 to July 1914, is 12 cents per pound. The current average price today is about 6 cents per pound, a differential of 6 cents per pound, which is the maximum amount of the processing tax that can be placed on the processor of cotton. This is a graduated tax, however, and the bill sets out the reasons for same, and we know the Secretary of Agriculture will consider these conditions and order a much lower tax at first and only step it up if conditions demand it. The taxes so collected on each commodity are to be used exclusively in the handling of that commodity and be a separate trust fund to be used in relieving that commodity and meeting the administrative costs incident to that particular commodity. Each tub stands on its own bottom in the operation of this law, regardless of which method or plan is determined upon to be used with reference to any of the commodities mentioned.

We all realize the cost of operation in carrying out this law is quite an item to be considered here. We full well know that phase of the question is being strongly urged and argued by the opponents of this bill, who assert it will require an army of employees to cause it to function. In the last analysis, this depends largely upon the management and ability of those in charge and the cooperation of the people interested and affected.

If this law works at all, it certainly will work as to cotton by the very nature of things.

We all know that as the cotton market goes so goes the market of other major commodities. What affects cotton affects directly or indirectly all other agricultural products.

So, my friends, regardless of what might be the major crop of your particular section, if the cotton market is revived, it will be reflected in the price of other commodities.

I know that if and when this bill is finally enacted into a law it will be modified and possibly materially changed by amendments. I trust that whatsoever amendments are adopted, they will be for the purpose of strengthening the bill instead of weakening it.

My position is and has been, as most of you know, that certainly we should legislate and that quickly in regard to farm mortgages. The farmer should be relieved from high interest rates. There should be enacted, by amendments in the Senate or otherwise, legislation that would enable the farmer to refinance himself and lift the \$12,000,000 debt he owes and upon which now he is expected to pay an average rate of interest of from 7 to 8 percent. To my mind, this phase of farm relief is truly vital and a great factor in the farm-relief question, and I sincerely hope will be speedily and effectively considered by this Congress.



The farming class of this Nation have been patient and long-suffering. They are now bowed down with an almost unbearable load of debt and taxation.

My colleagues, I urge you with all the earnestness and seriousness of my being to rise to the emergency of this hour and vote for the only immediate measure before us designed to immediately lift the stupendous burden from the back of the American farmer individually and collectively, thereby benefiting all groups and classes of this great Nation.

Anything the Government does to stimulate prices of farm commodities will necessarily be artificial. The Government can and should give farm relief through tax relief and mortgage relief, which are sound and fundamental.

As to the present measure before us, let us all join hands and pass this legislation, feeling and believing it is, to say the least, a step in the right direction. In times of an emergency such as we are now experiencing, it is very necessary that this Congress stand back of our President and his program, taking some action, and that speedily, that will extend immediate relief to distressed agriculture—the heart of our economic life. [Applause.]

The SPEAKER. The time of the gentleman from Mississippi [Mr. DOWDY] has expired.

Mr. CLARKE of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I believe this bill will aid agriculture to some extent. I do not believe it will go far enough to give to agriculture the relief that it is now so sorely in need of, but because of the fact that I believe it will do some good I am going to vote for the measure.

The most encouraging thing in the entire picture as it is presented to us is the fact that the President of the United States, in delivering his special message to Congress on this subject of agricultural relief the other day, said that if he found this bill did not work out as he anticipated, he would be the first to acknowledge it. I am inclined to believe that in carrying out that statement he will, in the near future, demand that this Congress enact some real legislation that will give some real relief to American agriculture.

This bill gives to the Secretary of Agriculture a great deal of power and authority. It vests in him certain legislative duties. I find no fault with that if we can actually bring about relief, but I want to call to your attention a few provisions in the bill which I think need some explanation and in which I feel the country at large should be interested.

In the report that has been submitted by the committee in connection with this bill are certain figures which purport to give the price as of February 15 of this year received by the farmers on the farms for the various agricultural commodities dealt with in this bill. This report shows that the dairy farmers on February 15, 1933, received an average price of \$1.16 per hundred pounds for milk. I certainly hope that in the administration of this bill the Secretary of Agriculture will go to someone better informed for information as to what the farmer is getting for his milk. One dollar and sixteen cents per hundred pounds is almost twice as much as the farmers of my district received in February, 1933, and my district is one of the most intense dairy-farming districts in the United States. That is almost twice as much as they received during February, 1933.

I have in my hand a letter from one of the farm leaders of my State and my district. My district is so much of a dairy district that we produce about half the cheese produced in the entire United States. During the month of February the figures submitted to me by one of the recognized farm leaders and a dairy farmer in my district show that he received about 85 cents per 100 pounds for milk which tested 4.3. Milk with such a high test is a much higher quality milk and contains a higher percentage of butterfat than the milk that is sold and distributed in bottles for home use. The average milk which you get in your home tests about 3.2 percent. That is about the average test you get when you buy it in bottles. Four and three-tenths percent milk at 85 cents per 100 pounds means about 61 cents per 100 pounds for the average grade of milk. That

was the price received in one of the largest dairy districts in the United States by a dairy farmer during the month of February, 1933.

I received another letter this morning from a farmer at Marion, Wis., and he said:

Last month we got only 66 cents per 100 pounds for milk.

I bring these figures to your attention because some of you may have been impressed with the arguments that were advanced when the domestic-allotment plan was under consideration in the last session, to the effect that there was not much differentiation between the so-called "parity price" and the price received by the farmer for milk and dairy products, in comparison with similar prices for other commodities. The Lord only knows where the Department of Agriculture got these figures. If we accept these figures, there is not such a great disparity, but, if you want to find out what the farmers are getting for milk, go to the districts where the milk is produced. They have been receiving a price which has been much below the cost of production for their milk. The dairy farmers or the other farmers of the country will not receive much immediate relief because the bill provides that the Secretary of Agriculture shall administer this bill in such a way that the price shall be gradually stepped up, and he is directed to take into consideration the purchasing power of the American consumer. If you are going to take into consideration the purchasing power of the American consumer, it will be a long time before you can raise the price of agricultural commodities to where the farmer can get his cost of production.

They talk about great surpluses in this country. I recognize there has been some surplus in agricultural commodities, but it is larger than the surplus would be if the American people were able to buy the commodities they actually need. The United States Government had a great surplus of wheat and cotton through the operations of the Federal Farm Board. The Farm Board said, "We will wait until we get a fair price." If they had waited until they could get a fair price before they disposed of that cotton and wheat, they would have had it on their hands for an interminable length of time; but as soon as the Government decided to give it away through the Red Cross, they found that there was a demand and a need for all the cotton and wheat on hand. The best way to aid the farmer is by enacting legislation that will provide for refinancing farm mortgages, with rates of interest as low as 1½ percent per annum. If we will give them low rates of interest and refinance their farm mortgages by an expansion of the currency, we will thereby cheapen the dollar and raise commodity prices immediately. Such legislation would not only relieve the farmer of his interest burden and thereby enable him to keep his farm, but it will give him higher prices for his product and restore his purchasing power, and he will again be a consumer of products manufactured by American labor.

I submit that the Frazier bill, which has been pending in this House and in the other body all during the last session and has been reintroduced here in substance during this session, is the only bill that will afford any real relief to agriculture.

I was glad to hear my distinguished Chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES], say here this afternoon that in the near future we are to have a bill on the floor of this House for consideration that will provide for the refinancing of farm mortgages. I hope the money necessary for that refinancing will be made available through an expansion of currency that will cheapen the dollar—that will bring the value of the dollar down to where it was at the time the debts of the people of the country were contracted and thereby help not only the farmers but put millions of men back to work and enable the debtor class of this country to pay its debts with an honest dollar—not a thieving, cheating, stealing dollar such as we have today. Refinancing farm loans with a low interest rate and a cheaper dollar are necessary in order to help American farmers.



I now yield to the gentleman from Alabama [Mr. ALLGOOD].

Mr. ALLGOOD. I think the gentleman has answered the question I desired to ask. I was going to ask the gentleman how he expected this farmer to get the benefit he hopes the bill will bring.

Mr. BOILEAU. I sincerely hope I have answered the gentleman's question. The bill we are now considering, to my mind, is not the best way to provide real relief, but I am glad to speak in favor of this bill because I feel it will, in a minor degree, at least, help agriculture. The farmers of the country are entitled to such help as this bill will give them and I ask the Members of this House to give the authority provided for in this bill to the administration, so it can be in a position to give at least a little relief to the farmers who are now on the verge of bankruptcy.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. MOTT. Will the gentleman explain by what method or procedure the farmer receives a part of the proceeds of the tax imposed by this bill? How does he get that money?

Mr. BOILEAU. The tax is assessed against the processor, as the gentleman knows, and that money goes into the Treasury to be turned over to the Department of Agriculture. The Department of Agriculture has broad authority to grant direct benefits in cash to the producer or to lease lands. These are two ways in which the farmer may get relief. They are indirect ways, but the relief will reach him.

Although I am doubtful of the effectiveness and practicability of the methods espoused in this bill, nevertheless I feel that they will work out at least to a small extent to the interest of agriculture. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Speaker, I presume that in a great matter of this kind all of us can agree.

Not everything in this bill is just to my liking, and I presume it is not to the liking of others; but this is the best we have before us now for the relief of a distressed condition prevailing amongst our farmers, who are in great distress because of low prices for agriculture.

I am not in the attitude of the gentleman from Minnesota, who spoke a few minutes ago. I do not think that this is a bad bill at all. If I did, I would vote against it. I would say to the gentleman that from his own State and from a committee from his own State was delivered to us a few days ago the explicit idea embodied in this bill of control of acreage by rental. This idea came to us from the gentleman's State. Of course, the gentleman will vote for it.

The principle in this bill is the limitation of production. This idea runs all through it and is the main purpose of the bill—the limitation of production until our surplus is disposed of.

What was the matter with the Agricultural Marketing Act? I will tell you. When the stabilization feature was in it there was absolutely nothing in the bill to control acreage. Had such a provision been in it, you would not be here today apologizing for a bill that failed for that reason. The bill had some good provisions in it, yet you are repudiating your own bill because it did not contain the provision this bill does contain, to limit production, or control surpluses.

The President of the United States is for this bill. Four years ago your administration came in here—the first Congress in which I served—and asked for an agricultural bill. You said you would take the responsibility of its passage and its effect. We voted for it. I voted for it, and practically every man in this House did. Out of something over 400 votes only about 30 were cast against that bill. We now ask you to give a trial to another plan after yours has failed. The President has said that if it turns out to be a failure he will not do as you and your administration did,

let it remain a failure for 4 years without admitting it; but he said he would admit it if it happened, and change it. If this medicine does not work, we will try something else that will. We must find some relief for agriculture.

Not only is the President for it, but the farm organizations which have studied the question are for it. I do not agree with the gentleman from New York [Mr. CLARKE] that the farm leaders are failures.

Mr. CLARKE of New York. Mr. Speaker, will the gentleman yield?

Mr. GLOVER. Not just now.

Mr. CLARKE of New York. But the gentleman referred to me and I think he should yield.

Mr. GLOVER. I yield to the gentleman if he will give me some time.

Mr. CLARKE of New York. I yield the gentleman 1 minute in which to answer me.

I did not say they were failures. I said that on every farm bill half of them stood for it and half of them stood against it. Half of them are against this bill under cover.

Mr. GLOVER. The gentleman may be correct about that.

Mr. CLARKE of New York. Certainly I am.

Mr. GLOVER. I want to talk just a moment about cotton, as our principal product in the South is cotton. The part of the bill dealing with cotton is the Smith bill, which is a part of this bill. This plan can be applied to cotton, or the allotment plan can be applied to cotton. Personally I think the allotment plan will kite the price higher and quicker than the other plan.

The Smith plan for the control of cotton simply states that the 2,360,000 bales of cotton will be used as a basis or pool and that the cotton producer who reduces his acreage 30 percent will be given an option to purchase a certain amount of Government-owned cotton, and that will save him the rental price of his land if cotton goes up. Is there anything unfair about this? Absolutely not. If cotton does not go up after he purchases his option he does not make a penny out of it.

He cannot let 30 percent of his land stand idle and get along. He cannot make a living and pay his taxes in this way. So it is fair in this respect, and by this method acreage can be reduced.

Now, what does it mean with respect to cotton if you have a 30 percent decrease in acreage? You have about 10,000,000 bales of cotton, or somewhat less than 10,000,000 bales of cotton, as surplus in the United States. We produce annually about 15,000,000 bales of cotton. If this is reduced 33½ percent, this would mean a reduction of 5,000,000 bales, or, in other words, in 2 years' time, under this bill, you will practically take the surplus cotton off the market and then it will take care of itself. [Applause.]

[Here the gavel fell.]

Mr. CLARKE of New York. Mr. Speaker, I yield 15 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, it is with a great deal of regret that I say I am unable to support this measure. There are many things about it that I like. All of us, no doubt, will agree with the declaration of policy which the bill contains, and I think there will be few to question the statement that prosperity cannot return to this country until the purchasing power of our great agricultural population is restored. In the past I have supported legislation, some features of which are contained in this bill. I have introduced bills myself which embodied some of the features of this bill. In the last session of Congress I supported the Jones bill which includes some of the features of the allotment plan. I cannot, however, conscientiously vote for this bill in its present form, because I believe that in the final analysis it will be impossible of successful administration and will make conditions worse instead of better.

I hope that when the bill goes to the other body they will adopt amendments which will make it possible for me to support it.

I feel that this is a time when we should follow the President of the United States in any real emergency legislation.



I am willing to go as far as anyone, and I have gone along on the emergency legislation that has been sent to this House, but this is not an emergency bill.

It cannot possibly become effective for at least a year. It will take this long before the intricate machinery which is necessary to put it into operation can be set up. I voted for the Jones bill because it was an emergency measure that could have gone into effect in a very few weeks. It could have been made effective upon this year's crops, and the time that the farmer needs aid is now and not a year or two years from now.

The statements of the Secretary of Agriculture indicate it is not his intention to apply the taxes, from which the money must be raised in order to make payments to the farmers, except in a very small degree at the present time. He intends to start out by levying a very small tax in order not to decrease consumption. On some commodities he may not put any tax into effect. We are not going to get an increase in the price that the farmer receives unless we levy this tax or adopt some other method of increasing the price that the consumer pays. There are no two ways about it; if the farmer gets a higher price for his products, somebody has to pay it.

So this measure, with the interpretation that has been placed upon it by the Secretary of Agriculture in his statements before the committees of the House and Senate and over the radio, cannot in any sense be construed as an emergency matter. It can only be considered as part of a long-time program for agriculture.

I am not willing to go along on a long-time program for agriculture that gives the dictatorial powers to any man that this bill gives to the Secretary of Agriculture.

For fear I be misunderstood, let me say that I think very highly of the Secretary of Agriculture. I congratulate the President upon having selected a man for this important post who has the ability, character, and knowledge of the farm problem which is possessed by Secretary Wallace. He not only understands the agricultural problems which are confronting the country, but he understands as well farmers and the individual problems which confront them. If it is right and proper to have an agricultural dictator, I am glad that it is going to be Secretary Wallace. The trouble is, we are conferring upon the Secretary of Agriculture duties and authority which cannot possibly be exercised by any one individual. The Secretary of Agriculture has a man-size job in running the Department of Agriculture. Now, in addition to that work, it is proposed to place the Secretary of Agriculture not only in absolute control of the production of our principal agricultural crops but of their marketing, processing, and distribution as well. Obviously, no one man has the knowledge or training, to say nothing of the time, to carry out such a program.

Is there any man in the cotton industry today who we would all agree has the ability, knowledge, and training to supervise the growing, marketing, processing, and distribution of the great cotton crop of this country? Is there anyone in the country who has a sufficient knowledge, ability, and training to do the same thing for the grain industry or the livestock industry or the dairy industry or for the many other and various branches of agriculture? And yet this measure confers upon the Secretary of Agriculture the power to do that not only for one branch of agriculture but for all of the important branches. It is obvious that the Secretary must delegate practically all of this authority to others, and he is expected under the terms of this bill to secure men able to supervise every branch of agricultural activity from producer to consumer at a salary of not to exceed \$10,000 per year. Under the terms of the bill as it stands at present all appointments made are to be strictly political, and it is evidently contemplated that it will be administered by political henchmen who will not be required under civil-service rules and regulations or any other rules and regulations to demonstrate that they have any qualifications for the job except that of belonging to the Democratic Party. It is only fair to the President and Secretary

of Agriculture to say that when this bill came to Congress it provided that the tremendous number of positions which will eventually be created by its terms should be under the civil service, but this safeguarding provision was deleted before the bill was introduced, and all positions in connection with the administration of this act are now to be considered as political spoils.

By this bill you are putting in the hands of one man absolute control over the business of the 30,000,000 people of this country who live on the farms and who directly depend on agriculture for a livelihood, and, in addition to this, you are placing him in control of perhaps this many more people who depend upon the merchandising, processing, and distribution of agricultural products.

Mr. KNUTSON. Will the gentleman yield?

Mr. HOPE. Briefly, yes.

Mr. KNUTSON. Is it true that the operation of this measure, in a large degree, would sovietize American agriculture, and that this whole plan is based upon the plan that is now in such successful operation over in Russia?

Mr. HOPE. I cannot answer the gentleman as to that. It depends entirely upon the way the measure is administered. It does give the Secretary of Agriculture absolute power as far as the production or distribution of agricultural products is concerned.

Mr. KNUTSON. If the gentleman will permit another brief question, How many witnesses did the Committee on Agriculture hear before reporting this bill?

Mr. HOPE. As I recall, there were Secretary Wallace, Assistant Secretary Tugwell, Mr. Ezekiel, the economist for the Secretary, and the attorney who drew the bill.

Mr. LUNDEEN. Will the gentleman yield?

Mr. HOPE. Just briefly.

Mr. LUNDEEN. What is the name of the attorney who drew the bill?

Mr. HOPE. Mr. Lee, formerly of the drafting service in the Senate, now a practicing attorney here in Washington, who has been employed either by the Secretary of Agriculture or the farm organizations to draft this legislation.

Mr. LUNDEEN. I thank the gentleman.

Mr. JONES. If the gentleman will permit, the gentleman realizes that on a somewhat similar proposition, hearings of several days were held in the preceding session of Congress.

Mr. HOPE. That is true, but that measure had nothing like the scope of this one.

I may say also that we have 160 new Members of the House who were not here when the other measure was considered. Also, almost half of the men on the Committee on Agriculture are new men.

Mr. ARNOLD. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. ARNOLD. Does not the gentleman understand that this bill empowers the Secretary of Agriculture to put into operation the allotment plan provided in the bill that was considered in the previous Congress?

Mr. HOPE. It will allow him to put into effect the allotment plan or the leasing plan or any other arrangement he may make by voluntary agreement with the producers.

Mr. ARNOLD. But the allotment plan is in the bill.

Mr. HOPE. If the Secretary of Agriculture desires, he has authority to put the plan into effect. As I said a while ago, I have great confidence in the Secretary of Agriculture, but no man, no matter how able he may be, can oversee personally the duties imposed on the Secretary of Agriculture by the terms of this bill. He is going to have supervision over the production and the processing and distribution of wheat and all its products, of cotton and all its products, of dairying and all its products, of livestock and all its products, and all major agricultural commodities; and no man, no matter how great or how able, can look after all that personally. He will have to have someone in the Department—an expert on wheat-growing and its distribution and processing, and perhaps 3 or 4 experts. The same thing will be true as far as cotton is concerned, and as far as dairy products are concerned, and as far



as livestock is concerned. He is going to have to build up a great organization if he is to carry out the duties imposed on him by this legislation.

He can, at the very least, have very little personal contact and very little to say about the practical operation of the provisions of this act.

Mr. PATMAN. Will the gentleman yield?

Mr. HOPE. Yes.

Mr. PATMAN. What difference does it make to the consumer if he is required to pay on the basis of \$2 for wheat because of a short crop, or is required to pay on the basis of \$2 for wheat because the Government has artificially raised the price?

Mr. HOPE. I do not think it makes any difference, but that has nothing to do with my opposition to the bill. I am not opposing the bill because it will work, I am opposing it because it will not work. If I thought the Secretary of Agriculture could bring about a higher price of wheat—and my district grows more wheat than any other district in the country—I would vote for this bill or any other in a minute. I am against the bill because I believe it will not work.

Mr. PATMAN. I understand the Secretary of Agriculture may put into effect the allotment plan, which the gentleman voted for heretofore.

Mr. HOPE. He may do it; but from the radio speech made by the Secretary of Agriculture, he does not have that directly in mind at this time. If the gentleman will read the speech, which is in yesterday's RECORD, he will notice that, as far as the practical operation of the bill is concerned, he discusses only the leasing plan. I do not believe such a plan would operate to raise prices. The Smith cotton bill will not raise prices, because I do not believe that you can restrict production under it enough to have any effect on the price. The leasing plan contemplates taking 50,000,000 acres out of production.

There are 973,000,000 acres of tillable land in this country. Of course, there is a lot of that land that is not very productive, but there is that much land that can be cultivated. We have under cultivation on an average every year about 360,000,000 acres. There is something like 54,000,000 acres more considered as crop land which lies fallow each year. So if the Secretary of Agriculture, under the Smith cotton law and under the leasing provision, takes out of cultivation 50,000,000 acres of land, we might by simply using the land that ordinarily lies fallow have just as large an acreage as before. What would be the tendency in the event farmers knew that land was being taken out of active use by the leasing system? It would be the tendency of every farmer who did not lease his land to either increase his production by putting out a larger acreage, by better cultivation, or by using more fertilizer. And you have no assurance under the leasing plan or the Smith cotton plan that you are going to get an actual reduction in production. That is the weakness of the plan. Unless you take out of cultivation a much greater amount of land than this measure contemplates or has been considered in any of the discussions of this legislation that I have heard so far you would not have any effect on production. You are simply going to put a tax on the American people which would be of no benefit in any way to the farmer.

In the long run the success or failure of any legislation of this type must depend very largely, if not entirely, on the cooperation of the processors and the farmers. We know that the processors are not going to be inclined to cooperate in this legislation. Knowing the American farmer as I do, and as you men who come from agricultural communities know him, we know that he is not generally favorable to legislation of this type. The American farmer is an individualist. He is not inclined to favor legislation which is going to affect his right to produce and which means an army of inspectors going through the country checking up on him. He is going to be opposed to that type of legislation; and if you have made any poll among the farmers in your own district—and all of us have come fresh from

our districts here since last fall—you know something of what is going on in the minds of the farmers. We know that this is not the type of legislation that the farmers are asking for. They are asking for legislation to lower their taxes, for legislation that will bring about lower interest rates and lower freight rates, and a refinancing of their agricultural indebtedness. If we desire to pass legislation which the farmers of this country themselves want, we will pass legislation of that type.

Just one more point and I am through.

I do, however, want to call particular attention to the fact that we are not only making the Secretary of Agriculture a virtual dictator of agriculture and all industries which process and distribute agricultural products, but we are actually setting up a new Farm Board. If there is any one point upon which the farmers of America are in agreement, it is that the Federal Farm Board has been a failure. Not only are the farmers of this country in agreement on that point, but the Members of this House, I am sure, have the same view of the situation. There are many of you here, on the Democratic side of this House at least, who in all probability would not be here had it not been for the Federal Farm Board, and certainly you would not be here if you had not in your campaigns declared your opposition to the Farm Board and your intention to abolish it. Now, in this bill you are asking to create an even bigger and better Farm Board and to continue the marketing and stabilization operations which have proven so unpopular.

Let me refer to the provisions of the Smith cotton bill, providing for what is essentially a new stabilization operation in cotton; but it is subsection 2 of section 8, on page 6 of the bill, to which I wish to particularly direct your attention. The marketing agreement provided for in this section, together with the provisions for financing the same by loans from the Reconstruction Finance Corporation at not to exceed 3 percent, certainly opens up the way for a resumption of marketing and stabilization in farm products on a greater scale even than was done by the Farm Board.

If there is anything which the farmers of this country do not want, it is further stabilization and marketing operations on the part of the Government or any agency thereof. No doubt the chief beneficiaries under any such marketing agreement will be the same so-called "cooperative associations" which have already benefitted greatly from loans from the Federal Treasury. All of the Members of the House received a few days ago a statement signed by six farm leaders advocating the passage of this measure. Let me call your attention to the fact that at least three of these farm leaders represent organizations which have been and still are direct beneficiaries of Government credit at a low rate of interest. First, there is the Farmers' National Grain Corporation, whose president, C. E. Huff, signed the letter which you received. The Farmers' National Grain Corporation last July refinanced its indebtedness to the Farm Board in the amount of \$15,500,000 for 10 years at the rate of one eighth of 1 percent interest. The Farmers' National Grain Corporation, it will be remembered, is the organization which at least until quite recently paid its general manager a salary of \$50,000 and enormous salaries to its other officials. No wonder it can do this, when it can borrow money from the Treasury of the United States at one eighth of 1 percent per annum. This statement which you received is also signed by C. G. Henry, on behalf of the American Cotton Cooperative Association. This organization has the greater part of the cotton which will be acquired by the Farm Board under the provisions of this act. After this cotton is turned over, the net amount of its indebtedness to the Farm Board will be \$58,000,000, all of which by the terms of this bill will be scratched off the books in consideration of the turning over of this cotton. This is the organization which, in conjunction with the Cotton Stabilization Corporation, at one time at least, paid its general manager the princely salary of \$75,000. It is no wonder it can pay such salaries, since it has been able to borrow \$58,000,000 from the Federal Treasury, which it will never have to repay. One of the others who signed



this statement is Charles E. Ewing, president of the National Livestock Marketing Association, which is also a heavy borrower from the Farm Board. Now, under the terms of subsection 2 of this bill these organizations and other giant cooperatives will be able to borrow money from the Reconstruction Finance Corporation to further engage in marketing and stabilization operations and to repeat possibly the folly of the Farm Board.

Generally speaking, I think there is a sentiment over the country very much in favor of getting the Government out of business. This bill will put it back into business with a vengeance. Hundreds of thousands of farmers throughout the country today are about to lose their farms and homes. Is there any help or comfort for them in the provisions of this bill, giving giant cooperative associations with their high-salaried officials the right to borrow money from the Reconstruction Finance Corporation at not to exceed 3 percent? Is the farmer, who is about to lose his farm, getting any benefit from the policy of this Government of loaning money to the Farmers' National Grain Corporation with its high-salaried officials, money at one eighth of 1 percent interest for 10 years? Is the average farmer in this country getting any benefit out of the fact that the Federal Farm Board is going to wipe off its slate \$58,000,000 indebtedness owed it by the cotton cooperative associations?

Those of you representing agricultural districts, if you have kept in touch with the farmers of your districts, know and realize that what the farmer wants is not legislation providing for further stabilization activities or for Government interference with the production and marketing of crops. Rather, he is interested in being relieved from the burden of taxation, in lower interest rates, in lower freight rates, and in a refinancing of his indebtedness. This bill offers no relief whatever along that line.

This bill has been referred to as an emergency measure. Let us not deceive ourselves. It is not an emergency measure in any sense of the word. To carry out the program which is contemplated by this legislation will require years. It will take months to set up the organization and get it into operation. It is absolutely impossible for an organization to be built up in time to lease land and take it out of production this year. It will take weeks and even months to set up the advisory councils that are contemplated by the act and which the Secretary says he is going to consult before undertaking the operations which this act contemplates.

I have no criticism of the President for submitting a program of this kind. I admire his frankness in suggesting that it is an experiment, and get some comfort from his statement that if it is a failure he will acknowledge it. The chief trouble with that policy, as I see it, is that agriculture in its present condition is in no position to stand many experiments. About one more experiment like the last one will put it completely down and out.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Speaker, I shall detain you but for a few minutes. I think I can tell you in a few minutes what I think of this bill.

For the past 4 years the American people have been without leadership. During that time the farmers of America have been flattened to a point where it is impossible for this Congress or any other body to flatten them any flatter. That was due largely, in my opinion, to lack of leadership. The American people have at last succeeded in obtaining a real leader, and I want it known that I am going to follow that leader in an effort to bring back prosperity to the American farmers. [Applause.]

Now, we have talked long enough about farm relief. It is time that we acted. I am glad to see that our present leader is making an honest effort to bring back to the American farmer the purchasing power that he enjoyed during the pre-war period. He has not talked very much. The big thing is that he took action within 12 days after taking the

oath of office. Simply stated, the object of this bill is to increase the purchasing power of the farmer. You know and I know that we will not have prosperity in this country until the purchasing power of the farmer has been increased.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. KOPPLEMANN. On page 12, under the heading "Commodities", I find tobacco included. At the present moment there is an outrageous and defenseless condition existing in the tobacco-producing industry because of the permission of importation of prison-produced tobacco into this country. My district is greatly interested. I should like to know from the gentleman what effect this bill has upon the tobaccogrowers of this country, in relation to a bill which I believe he is acquainted with, which I presented to this Congress.

Mr. FLANNAGAN. I do not think this bill will take care of the situation which the gentleman has in mind. The gentleman has in mind the shade-grown tobacco grown in the State of Connecticut. I do not think this bill will protect the growers in his district in the way they should be protected. I want the gentleman to know that I am in sympathy with his bill that will place an embargo on tobacco produced by indentured and forced labor and brought into this country and sold in competition with our home-grown tobacco.

Mr. KOPPLEMANN. I thank the gentleman.

Mr. FLANNAGAN. As I said, we must increase the purchasing power of the American farmers. If we can do that, we will make practically every farm mortgage in America worth 100 cents on the dollar. If we can increase the purchasing power of the farmer, we will strengthen the farm paper that is held by practically every banker in the United States.

If we will increase the purchasing power of the American farmer, we will open thousands of factories whose output is largely sold to the farmers of America. I am surprised to hear the statement made on this floor that the American laboringman is opposed to this bill. When we considered the allotment plan in the committee, it was testified to by the experts that if the allotment plan were put into operation, the purchasing power of the farmer would be increased, and thereby over 6,000,000 idle men and women would be put back to work. I know the American laboring people are not expecting the American farmers to feed them at a loss. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. CLARKE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. MARSHALL].

Mr. MARSHALL. Mr. Speaker, it is my belief that we are attempting this afternoon to legislate on a question that has caused more trouble and is more difficult of solution than any other question with which the Congress has had to deal. This question has been the bugbear of at least two previous administrations. It has not been very long that agriculture has been able to receive a sympathetic ear, but in recent years, and especially in recent months, the whole world has come to realize that if there is to be any prosperity in America, agriculture must have its share therein.

Now, Mr. Speaker, I am a Republican. I was elected as a Republican and I am a believer in party government. I am glad that we have two parties. I feel there are times when partisanship, to a great extent, must be put aside. I have done that on two former votes here. I have attempted to support the President's program on the banking law and on the economy act.

Mr. Speaker, I am going along one step further. I told the people back in Ohio who sent me down here that I would support any measure that bore a hope of benefiting agriculture if that law was within the pale of reason. If our conditions were normal in this country, I would not support this measure. There are 2 or 3 good reasons for that. One is that I feel this bill is no more nor less than a sales tax upon the commodities of life, and I question whether or



not the people of our country are in a position to assume that burden. Another reason is that I would hesitate to place this much power in the hands of any one man in America. Another reason is the temptation to bureaucracy. I want to say to the Members on the Democratic side that in the economy act we are going to strike from the rolls thousands of veterans in this country. I voted for that bill. I do not apologize for it. I was honestly in favor of it, but I want to warn you that if you place on the rolls the people that this bill makes possible to place on the pay roll, the veterans of this country are not going to look with a great deal of favor upon this measure. In other words, the temptation here is great. I have a great deal of confidence in the ability of the Secretary of Agriculture. I have full confidence in his intent, and I believe that the success or failure of this law will depend, more than anything else, upon the method in which it is administered.

Now, Mr. Speaker, with the hope that the passage of this law may benefit agriculture, I expect to support the same. I yield back the balance of my time. [Applause.]

Mr. FULMER. Mr. Speaker, I yield 6 minutes to the gentleman from Michigan [Mr. HART].

Mr. HART. Mr. Speaker, this measure will be passed under the cry of "back the President." I am one of those who started backing our President away back in 1930. I backed him on his banking legislation; I voted for it. I backed him again on his economy measure. In those two measures he had to, and I think in every measure that he brings before this House he has to consult with people in the lines in which he is dealing. Undoubtedly he consulted bankers when he brought forth his banking program. Undoubtedly he consulted the leaders in the House and Senate and the various departments of the Government when he brought in his economy bill. This time when he began to contemplate an agricultural bill he naturally went to the leaders, those who claimed to represent agriculture, but here is where he was deceived. He reminds me today of the man who came down from Jericho and fell among thieves, because he certainly fell in with a dishonest lot when he fell in with the farm leaders. Why, these are the same gentlemen who dispensed this \$500,000,000 they obtained under the Farm Marketing Act. These men are not being supported, and have not been supported for years, by the farmers. When they noticed their falling revenues from the farmers, they came down here and got legislation passed and got their hands into the Treasury; and now as the Farm Board passes out, they have a new and glorified farm board contained in this bill. I predict that not only will they spend \$500,000,000 but under this bill there will be expended of the people's money something like \$1,500,000,000 before we get through with it.

I cannot go along with any program of this kind. I voted against the Smith cotton bill because the President, in his acceptance speech in Chicago, said we should repeal immediately those provisions of law that compel the Federal Government to go into the market to purchase, to sell, and to speculate in farm products. That is what he said in his acceptance speech at Chicago; yet the very first provision of this bill puts the Government into a huge speculation in cotton.

I am going along with the President, but I am not going along with the farm leaders who bring in this character of legislation.

Let us see who collaborated in the writing of this bill. Professor Tugwell, of Columbia University, is the Assistant Secretary of Agriculture. Another professor, or economist, Mordecai Ezekiel, was the economist who steered the Farm Board through its so-called successful conclusion. He is another one of the gentlemen who collaborated in the writing of this bill.

Let us see who Tugwell is. He is a member of the advisory committee of the People's Lobby. He is a member of a committee of the American Civil Liberties Union. This is the organization which defends anarchists when they shoot somebody. He is one of ten contributors to Social-

istic Planning and Socialistic Program. This is Mr. Tugwell's history. He spent 2 years, I am told, in Russia. Mordecai Ezekiel, I am told, spent another year in Russia.

Now let me quote from the Communist of January, 1930, quoting Mr. Tugwell:

This eminent professor of the University of Pennsylvania believes the only escape from the blind-alley of growing unemployment is the creation of a national planning commission. To this Professor Tugwell, professor of Columbia University, who has been in the U.S.S.R., replied that then it is necessary to study a planned system not at a conference of New York and Philadelphia engineers and economists, but in the Moscow Gosplan (State planning commission), where it is actually functioning. But even that does not help, since the competitive system cannot be reconciled with a planned system.

That is from the Communist of January 1930. I am not going to follow communism.

This bill bears all the evidence of a brain storm. That is the only way I can account for it. I imagine these gentlemen gathered together in the Department of Agriculture, ate something indigestible, and this brainstorm is the result. [Applause.]

[Here the gavel fell.]

Mr. FULMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, one of the easiest things on the face of the earth to do is to criticize. The next easiest thing is to follow the line of least resistance.

On this occasion were I absolutely opposed both to the President and to the measure he presents I would still be and feel myself definitely constrained from voicing openly opposition which, in my opinion, under present conditions can do nothing more than slay the new-born confidence of the people of this country and the hope of those engaged in agriculture.

The gentleman who just preceded me referred to the fact that he would like to back the President. I am at a loss, after following his remarks, to know whether he meant in reality to break the President's back or just what he did mean.

On this occasion there is no question but that the agricultural industry of the United States is on its back on a really desperate sickbed. The question involved is whether after the voters of the Nation, by a majority in excess of 6,000,000, having selected a leader for the united army of the people of our country against the difficulties which confront us, and to which leader we also look as a doctor for our ills—is he going to be permitted by this House to treat the patient according to his ideas, ideas which apparently have instilled in the minds of the people of our country considerable confidence?

To oppose this bill successfully at this time could have no other real effect than to allow the patient to languish on his sickbed and die neglected. For this reason I shall support this bill regardless of whether or not the provisions therein contained, or the appointees of the present administration charged with carrying out the program, meet my personal approval.

I believe a vote against this bill at this time, if such vote should defeat the measure, would have the effect of setting us back in the slough of despond to a point from which recovery to normalcy would be still more difficult.

I believe this bill in the last analysis depends upon two things: First upon the cooperation of the people of the country with their leader and, second, upon the brains and ability of the administration to utilize the powers contained therein to the best advantage of all the people.

I happen to be one of that majority which supported Franklin D. Roosevelt for the Presidency. I happen to be one who at this early date in the troublous period filled with problems which confront him and his administration still have confidence in him. I do not intend by any word uttered by me on this floor in discussing this measure to refer to any part of the measure which does not meet my personal approval. The responsibility for what this measure contains and the results to be attained by its administration are



squarely in the hands of our generalissimo, our Commander in Chief. [Applause.]

[Here the gavel fell.]

Mr. KLEBERG. Mr. Speaker, we know his need for a cooperation based upon a continuing confidence and rare courage on the part of all our people and fellow citizens during this period of emergency.

I feel, Mr. Speaker, even a greater confidence in my people. They have emerged victorious from other critical situations and emergencies and will do so again. They have ever been possessed of the kind of determination and courage, as well as tolerance, which is always found in the victor and never in the vanquished. We cannot fail.

Mr. CLARKE of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, perhaps I have a little different relationship to this bill than any of the other Members of the Congress.

I am from Iowa. For many years there has been a family over in Iowa which has led agricultural thought. This family has distinguished itself throughout the country, and even the world, in that it has taught farmers things that amount to something; and this family has gained the esteem of the people of my State, professional men, business men, as well as farming men. The family has now given to this country two Secretaries of Agriculture, father and son, and one of them now sits up there in the Department of Agriculture and is going to be in charge of this bill. I know him and have known him for many years, and I will say to you that he is a learned man, a competent man, and a God-fearing gentleman. He is a student, and I think is better versed in agricultural matters than any other man in the United States. [Applause.]

Henry Wallace has the confidence of our people. The gentleman from Michigan [Mr. HART] spoke unkindly about Dr. Tugwell and Dr. Ezekiel, both of whom are able and competent men. Abuse of the proponents of this measure should not avail. But the gentleman did not say a word about Henry Wallace. Why? For the reason I have announced to you and because the gentleman cannot find anything to say about the Secretary of Agriculture except things that are good, and the gentleman was not arguing for that side of the bill. [Applause.] Henry Wallace is safe, sound, fair, frank, and unassuming, experienced by education and training, and an incomparable friend of the farmer.

I was a little surprised also to hear my friend the gentleman from Kansas [Mr. HOPE] talk about this bill. I regard him with affection and give him place as one of the leaders on the Agricultural Committee. He is from the great West. He voted for the allotment bill in the last session of the Congress some 2 months ago, and that allotment bill does not, in my judgment, in any way compare in virtue with this bill. The fault with that bill, as announced always in debate, was that it was too rigid and unyielding and that it did not allow for different conditions and circumstances as they might arise. For example, it put a processing tax upon pork products immediately, and as soon as the bill was signed at the White House, amounting to 3 or 4 cents. This, it was said, and I think with some reason, might have destroyed the processing of pork altogether, because the packers could not stand a tax of 3 cents per pound overnight, and they could not sell their product because it would come in competition with meats of other kinds, like mutton and beef and chicken, and so on. I think there were some grounds for the objections that were then made. I cite this as one of the things in the last allotment bill, which my friend from Kansas supported, to show that it was not flexible in character and did not allow for changing circumstances and might have been inappropriate under some possible conditions that might well have arisen.

This bill puts authority in the hands of a man who is conceded to be a man of judgment, a man of wisdom, and who has behind him the experience of a lifetime in dealing with farms, farming, men, and affairs. It puts it into his hands to gradually adjust this processing fee to different commodities and to changing circumstances. It is so much better in

this respect than the former bill that I cannot understand the psychology of those who voted for the last bill and who refuse to support the present one.

During the 2 years I have had the honor of being a Representative in the Congress I have heard a great deal of talk about helping the farmer. During these 2 years his farm values have decreased \$14,000,000,000. Last year they decreased \$9,000,000,000. All of this time I have been here trying to do something for the farmer. It was conceded by everybody that something ought to be done for him, but nothing was done. Oh, we voted a little \$25,000,000 to go to the farmers to help take care of some mortgages that were in the hands of the Federal Farm Board. This was merely trifling with his necessities. But nothing has been done of real consequence, and his yearly crop income has decreased in sums amounting to billions and billions of dollars. The figures will show that his gross income in 1929 was pretty nearly \$12,000,000,000. Last year, or in 1932, his income was a little over \$5,000,000,000. This is exactly what happened to him during the time I have heard the talk on this side and on that side, saying, "Well, we will do something for him, but you must not do it right now or in this particular way. Do not do the thing that is before you today; wait and we will give you something else in a little while."

This has been the talk practically all the time; and what is the situation?

Mr. HART. Will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman.

Mr. HART. Your side of the House did something for him in 1929 and sunk him still further, did you not?

Mr. GILCHRIST. No; that was the time when the stock gamblers took it on the chin. The farmer got his worst jolt in 1920. I did not intend to say a partisan word, but since you have interrupted me I must recall the facts. Your side of the House was in control here during the entire Seventy-second Congress, and nothing of real importance was done for the farmer during those 2 years. Away back in 1920 your party had full control of the Government. It was when your Democratic Federal Reserve Board was about to put on its ruthless and destructive campaign to take the heart out of agriculture. Your big boys had found out that the farmers were really making a living in those days, so they decided to deflate the agricultural interests of this country. I had a friend down here at that time who appeared before a committee. My friend objected to the program for agricultural deflation, and said to your Democratic Governor of the Federal Reserve Board, W. P. G. Harding, "Why, Governor, this will ruin the farmers of the country." What was the cruel reply of the governor of this great Banking Board then in Democratic hands? He said, "Oh, well, somebody will farm the land, anyway." How pitiless! How willing to reduce men and women to peonage and penury! How brutal!

And as a result of that policy the farmer was forsaken. He has never recovered from the ruin that engulfed him. Nobody can appraise the financial loss that ensued. Did it amount to fifty billions? Was it more or less than the cost of the World War? Was it five times the amount of monetary gold in the entire world or was it only two times that amount? Nobody has ever answered definitely; but we do know that the deflation of farm values resulting from this policy was the most stupendous, the most wicked and ungodly, as well as the most asinine policy that has ever been designedly and deliberately promulgated in the administration of American finance, and we do know that our farmers have never recovered from its baleful effect.

Let us act on this bill and not on some other proposition. Let us not rely on some illusory promise made by those who are not in sympathy with agriculture whereby they seek to arouse visionary hopes. We have had enough of this ignis fatuus or will-o'-the-wisp business.

Of course, the bill will not do all that must be done for agriculture. It is not written just as any one Member would like to have it written. Nobody proposes it in that sense. No one measure can remedy the situation, because



agriculture has suffered too long and too much. All legislation is the result of compromises made by conflicting ideas. Gentlemen here say that we should reduce the farmer's taxes. Of course we should. The States and local taxing boards should join us in reducing taxes; but, if Santa Claus should come along with his reindeers and pay the farmer's taxes, it would not remedy the economic debacle and distress that now exists in agricultural communities. We must have other measures as well as this one. We must give the farmer relief from the financial conditions that overwhelm him, just as we have given that relief to corporate enterprises, to banks, railroads, and insurance companies, and to commerce and finance.

I believe a greater problem than farm allotment confronts us, and that is to save our farm homes from foreclosure at the hands of the sheriff and to keep the roofs over the heads of our farm people. We must take care of mortgage and farm debts. And a still greater problem is that of revising our monetary system so as to provide stable monetary conditions and an honest dollar. And this honest dollar must be honest to laborers, clerks, business men, bankers, professional men, farmers, and to debtors as well as to creditors. I do not speak for flats or visionary schemes. I want honesty in dollars so that our people can pay their debts with the same kind of dollars that they borrowed. The dollar is now too high priced.

Mr. Speaker, both parties in their national platforms adopted at Chicago last year promised to do the very thing that is sought to be accomplished by this present bill. The Republican platform pledged itself to amend the laws so as to accomplish the objects set forth in the preamble of the Marketing Act. And that preamble recites among other things, that "agriculture will be placed on the basis of economic equity with other industries." That Republican platform also promised to support plans which would "help to balance production against demand and thereby raise agricultural prices." Let me tell the Republicans that here on this vote is the time and place to redeem that pledge.

Likewise, I cannot understand why any Democrat here would vote against this bill because the platform upon which he was elected promised to give the country "effective control of crop surpluses so that our farmers may have the full benefit of the domestic market."

These, ladies and gentlemen on both sides of the aisle, are the pledges your party gave to agrarian interests, and if you read the credentials under which you sit as a Member of this House, and if you honor your party, you are bound to vote for this bill or else propose a better plan, as well as one which has some chance of being enacted into law, and which will carry out your promises to a patient, patriotic, but despoiled people.

There will be no return to normal prosperity for all classes and kinds of people and no security for our financial institutions which I agree are absolutely necessary for the solidarity of our society, and no jobs for our working people until the restoration of normal agriculture values are completely and positively assured. The country will not be rehabilitated until the farmer is given back his buying power. And he cannot be given back his buying power until the time comes when he will get cost of production for his commodities plus a reasonable profit.

In a former speech I have pointed out that while the raise in values for farm products must be passed on, nevertheless not all of it will be passed on to the consumer because much of it and, indeed, a considerable part of it will be absorbed on the long and devious road of transportation and trade which leads from the farmer's barn to the consumer's dinner table.

And when the farmer's buying power is restored then all business will revive. Railroads will gain enormously. Lumber, of which the farmer takes 40 percent, will be rolling along on our flat cars; and fuel, cement, fertilizer, farm machinery, automobiles, gasoline, and other innumerable articles will crowd our freight depots. Iron and steel activities will resume. Laborers will again be engaged in manufacturing harvesting machinery, furniture, building supplies, clothing, shoes, and in processing our foodstuffs.

Our granaries are full, and yet there are people in want. The farmers of Iowa are now burning their corn for fuel. The coal miners in Illinois need this corn for food. What is the railroad employee and those who are engaged in transportation getting out of this situation? Nothing but idleness and want.

Nine and one half billions of dollars in farm mortgages will immediately gain in value, and \$4,000,000,000 in short-time farm paper will be thawed out of the ice which now congeals it, \$5,000,000 for rental values will be restored to bless industry and trade, and these things will restore the value of bank stocks and bank securities. Members here profess to be frightened at what they assume to be the magnitude of the amount which may be expected to flow from industry to agriculture by reason of the increase in commodity prices. If you would quadruple their estimates and admit that \$4,000,000,000 instead of a few hundred millions were about to be added to the farmer's income, nevertheless, it would still prove to be a blessing because that enormous sum would be spent immediately in the cities for goods, services, labor, manufactures, and capital; and every dollar of it would be passed along and multiplied so as to do \$10 worth of business, because the farmer is naturally a good spender. He is not alone entitled to the comforts of life, but he intends to and will get them whenever opportunity offers.

The Government itself is guilty of raising its hand against those who go into the fields to produce the foodstuffs that our people eat. The reports of the Shannon Commission show the enormous amounts that this Government has spent in the reclamation service; and how the Government has put scores of thousands of irrigated farms into competition with the very men who are taxed to support those projects. In this day of overproduction the Government spends the people's tax money to irrigate millions and millions of acres of agricultural land and put it into direct competition with the land owned by farmers who are struggling to pay taxes and whose prosperity is dependent upon the price that farm products will bring. The farmer is a victim of this subsidized competition. This untaxed and subsidized land in the West should be held out of cultivation until the time shall come that our increased population shall demand its cultivation and provide a market for its products.

As one representing the cornfields of Iowa and whose immediate interest is in agriculture I want to voice my thanks to the gentlemen on this floor who represent the cities and urban districts of the Nation and who are earnestly supporting this legislation. They believe in redeeming their party pledges. They want to support the President. They know that their communities cannot be prosperous while agriculture is prostrate and that their constituents will never find work until 30,000,000 farmers in this country are able to buy their goods and the products of their labor. Their relationship to this bill is a secondary one instead of a primary one. But, nevertheless, as far-seeing statesmen they know that progress and prosperity will never be restored until hope is inspired in the breast of the men and women who raise the food that their people must eat. [Applause.]

[Here the gavel fell.]

Mr. FULMER. Mr. Speaker, I yield 3 minutes to the lady from Kansas [Mrs. McCARTHY].

Mrs. McCARTHY. Mr. Speaker, I am taking the floor today in response to some of the arguments made by the gentleman from an adjoining congressional district in Kansas. My colleague [Mr. HOPE] made a statement that he represents the largest agricultural district in the State of Kansas. I want you to know that I represent a district containing 26 counties, the second largest agricultural district in the United States and a territory contiguous to that of my colleague. I called a meeting of the farmers in my district to ascertain their sentiment on this type of farm relief. Perhaps the gentleman from Kansas [Mr. HOPE] was so busy here in Congress at the time that he did not notice the sentiment of the meeting as expressed through the press. Twenty-five counties out of the twenty-six sent representatives to the meeting; 350 farmers were present, also repre-



sentatives of the processors, the livestock interests, and commission firms.

I asked the groups assembled at that meeting to express their opinions in regard to pending farm legislation. Much sentiment was expressed favoring immediate relief through legislation such as the allotment plan, and the only ones who protested were representatives of the commission interests. Not a single voice was raised against the allotment plan by any farmer in the 26 counties. In addition to individual farmers, we had representatives from every farm organization, the Farm Bureau, the Farmer's Union, and so forth, and I asked anyone who was opposed to the bill to take the floor. There was no opposition to the plan by any individual farmer, except one man who said, "I am a livestock man and do not want hogs in the bill". He said, "You cannot control the production of hogs. What will you do if an obstreperous sow wants to produce a litter of 10 pigs instead of 6?" [Laughter.]

At this meeting an opportunity was given for expression in regard to inclusion of only the two major agricultural products—cotton and wheat—and the sentiment was clearly for restricting the application of the act to only these commodities.

This bill gives the President of the United States the option to apply it to certain farm commodities; and if it is not practical, the President does not have to apply it to any particular product. This bill is not as rigid as the original domestic-allotment plan. In other words, it has all the benefits of the original plan and not a single one of its objections.

My colleague has said that he has confidence in the Secretary of Agriculture. The State of Kansas also has the utmost confidence in the President of the United States, as expressed by a majority vote of 76,000 in that rock-ribbed Republican State. My constituents have faith in this plan as a feasible one for restoring agricultural prices to cover at least the cost of production. [Applause.]

[Here the gavel fell.]

Mr. FULMER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KNIFFIN].

Mr. KNIFFIN. Mr. Speaker and Members of the House, the farmers of this country have just cause to feel that they have been pressed into the earth. I represent one of the finest agricultural communities in America—the northwestern Ohio district—composed of small farms ranging in acreage from 20 on up to 40 and 80 on to 160 acres, all highly improved, well underdrained, and farmed by industrious, intelligent, and competent men and women. Yet they are unable to make expenses at this time. I feel that I am warranted in the assertion that the present condition of American agriculture constitutes an emergency of a very grave character. I am not going to quibble about the merits or demerits of any of the various provisions of this bill. I am going to support this bill because the farm people want it, and because I believe it gives some promise of alleviating the sad and distressed conditions that confront the farming men and women of this Nation. I am one who believes that it is a monumental crime for any man or group of men or any government to do anything that will interfere with the passage of a measure that might alleviate the suffering that exists among the farm people of this country, because after all they are the real producers of wealth in our country and the class of people upon whom we must depend for our very existence.

Anyone who believes that we will have employment in our cities and any degree of prosperity throughout the country before the farmer is resuscitated by the restoration of his purchasing power has another guess coming.

This is a serious matter, and I sincerely hope that my good friends here from the large cities will assist in the enactment of this measure. The bill is as sound as any emergency measure of its kind could be expected to be, and I shall vote for it. [Applause.]

Mr. CLARKE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker, we are here this afternoon listening to the counsels of those who are on the committee and know more than the majority of us in regard to the purposes and provisions of this bill. I agree with the gentlewoman from Kansas [Mrs. McCARTHY], who preceded me and spoke in reference to the former allotment bill passed by the House last session. I believe that was a good bill, and cannot understand why those who supported that bill would not be disposed to support this one.

I am not in sympathy with Members who take up individuals appointed to administer the bill and criticize them as believers in sovietism. I have been through the Ukraine and studied conditions of those people, and I know something about their problems and government, all radically different from ours. Criticisms of Mr. Tugwell, the Assistant Secretary of Agriculture, or of Secretary of Agriculture Wallace, even though offered by Democratic Members, are unwarranted, for I have been present with both gentlemen when the former bill was studied, and do not believe they know their business. Both have been appointed to their present high places by President Roosevelt, whom their present critic, a Member of the House, claims to have brought out as your candidate for President.

The best evidence of President Roosevelt's good judgment is found, in my judgment, in his appointment of Secretary Wallace and others of his Cabinet. I believe Republican Leader SNELL touched one of the important propositions that affects agriculture today when he spoke about the importance of lowering interest rates now paid on farm mortgages. I regret that amendment was not permitted to this bill. Farmers generally need a reduction of interest rates and an extension of time for payment of their mortgages, and it has been promised them this session, according to Chairman JONES' statement of today. An expansion of prices of agriculture by an expansion of currency or by this allotment or any other aid is needed to bring back to farmers their pre-war purchasing power. When the gentleman from Texas [Mr. JONES] made the statement to us today that corn sold for 10 cents where produced and that the price of transporting that 10-cent corn to New York was 30 cents, it must have brought to every Member a realization that we should increase the purchasing power to the farmer of what is produced on the farm. When 300 percent is added to the producer's price for transportation and as much more for various selling agencies and processing, we can understand that the farmer who raises grain and stock is the forgotten man in farm-production values. The same is true from my colleague [Mr. BOILEAU], who spoke about milk prices today. He said about 60 cents was the price of milk up in our State, which is the best dairy country in the world; whereas the farm producer receives only a fraction of the price paid by the consumer. Farm marketing is an obstacle to fair returns to the one who produces.

Questions have been raised against this rule. We on our side of the aisle have put through rules in former years. They are sometimes necessary. Four hundred and thirty-five Members cannot prepare a complicated bill like the one before us. We have to trust someone who can carefully study its different provisions, and we have trusted this Agricultural Committee, aided by the experts they have called in during its preparation. I believe with the Republican leader of the committee, the gentleman from New York [Mr. CLARKE], that even if it does not meet with all of the promises we have in mind, if of value, as the committee reports, it is worth testing.

Objection has been made here to dictators. Mr. Speaker, we have been following dictators ever since I first came to Congress. The gentleman who spoke before me, and incidentally referred to dictators, has been here for 2 years. I was here when a President of the United States, Mr. Wilson, stood on that platform and laid down a principle of conduct for us that compelled the whole American Congress to declare war. The President of the United States can do that now, and he, not Congress, becomes a dictator to Congress in time of threatened war. A short 2 weeks



ago the President now in the White House ordered the closing of all banks in the United States under an old war time emergency act. What did we do? Congress ratified his order on the first day of the extra session, and in that way accepted a dictatorship which involved the control of over \$40,000,000,000 held by the banks of the country. We have to follow someone in an emergency, and we are following the President of the United States without partisanship today so far as we can. We assume that men like Secretary of Agriculture Wallace and his aides will administer this proposed law under the direction of the President; and that if the experiment, as he terms it, is a failure, that it will be abandoned for something better. If not, what have you to offer in place of this bill? I look for another bill, as promised by Chairman JONES, that will reduce interest rates and give extensions on farm mortgages, but the greatest farm need lies in a restoration of purchasing power through better prices for farm products.

I come from an agricultural country, and know the needs of our people. They are in distress and in danger of losing their farms. I understand we cannot change economic laws of supply and demand by legislation, but the farmers of this country are asking Congress what it is going to offer them in helping to raise the price of farm products. I have not heard of any other offer yet from either the Agricultural Committee or anyone else, and all measures have to come from this committee, so I say let us accept the best that we can get in the bill before us, and that is the bill the committee has presented to us. I am always glad to support anything that gives promise of relief and will vote for the bill. [Applause.]

Mr. Speaker, I believe the farm situation is not fully understood by many of my eastern colleagues. Briefly, 6,000,000 farmers, or more, with their families are engaged in agriculture, the largest industry of the Central West. None of these have made much more than a bare living during recent years. War distress, loss of markets, nonconsumption, and various other things have contributed to this result, affecting America's greatest industry.

Not one farmer today out of scores pays any Federal income tax because of extremely small net incomes. Two thirds possibly of all these millions of farmers are unable with present prices to get back their cost of production. Heavy debts, high interest rates, and foreclosures are a constant nightmare to these men, who say that Congress did not hesitate a few years ago to plunge this country into a war to end wars that burned up \$36,000,000,000, yet hesitates when they are in need.

I did not join in that war act; but in addition to the vast war-time waste which occurred, we advanced to France \$1,370,000,000 after that war was over in postarmistice loans for rehabilitation. This was in addition to \$2,000,000,000 of war loans made to France. Now it is seriously proposed to cancel or materially reduce the French indebtedness and also that of all other European debtors, yet we find protests against this bill to relieve our own farm people.

French loans, according to ex-Secretary Mellon, were compromised in the settlement between the countries and made payable during a period of 62 years with 1.64 percent annual interest, which low rate is now delinquent and unpaid. The American Government cannot collect European debts, even though loaned after the war for rehabilitation purposes and scaled down to half of the amount loaned. The payment of such debts can only be forced by arms.

American farmers ask why they are not given equal consideration for the rehabilitation of their own homes instead of having to meet brief periods for mortgage maturities accompanied by 6 percent or 7 percent annual interest rates, or an alternative of foreclosure proceedings and get-off land terms.

I realize a large delegation of power is placed in the hands of Secretary of Agriculture Wallace by this bill, but he is under the direction of the President as was Congress practically when it declared war, involving an expenditure of many billions, and I do not believe the present farm-

emergency expenditure, due largely to that same war, will approach 5 percent of our war-time expenditures, possibly not half that amount.

No security was ever offered for those war loans, whereas farmers as well as others with farm loans have pledged all their property for the payment of their debts. After the war Congress gave to ship companies loans based on wind and water, which with ship subsidies to start an American merchant marine to carry troops during another war to end wars reached many hundreds of millions of dollars, with an annual interest of less than one third the interest rates now paid by the average farmer.

These shipping payments with interest have frequently gone the same way as did war expenditures in past years without any return.

Since the war, over five billions of dollars have been expended for the American Navy, and on a naval program to bring our Navy up to parity with that of Great Britain to cost more billions, promised in naval propaganda placed on our desks, yet there is no more danger of war with Great Britain than with Greenland.

I am confident that practically every Representative from States having navy yards and private shipbuilding yards, largely in the East, uniformly has been supporting those naval bills. We have vital interests in our own constituents. When the present depression became severe and Congress created the Reconstruction Finance Corporation, it was to save great banking, insurance, and other interests, some of which have suffered from the manipulations of men like Insull, Mitchell, and others of like character. Our constituents say it is their turn to be saved now.

Mr. Speaker, this bill seeks to balance production and consumption by giving to the Secretary of Agriculture power to reduce acreage or production through agreements with the producer and to provide rental payments to bring about curtailments in surplus production. It is confined to specific crops of wheat, cotton, corn, hops, cattle, sheep, rice, tobacco, milk and milk products, and marketing agreements are authorized with licensed processors, who would receive loans from the Reconstruction Finance Corporation. A tax is levied on processors who are to raise values to equal the difference between current average prices and pre-war prices. It is an emergency bill to expire whenever the President finds the emergency ended. The bill's administration is not for Congress, but for those who drew the bill to execute.

I am not striving to understand all the bill's provisions, nor all the terms that must be agreed upon by the parties to the different agreements. Experts selected by the President will do that. I am interested in giving help to the farmers as soon as possible, both as to the price of their products and in easing up their debt, interest, and other obligations.

The credit of this country is not based alone on the amount of money in the banks that we have properly sought to protect for depositors. It equally depends upon a profitable farming industry, and that includes a score of millions and more of American people depending on that great industry, with their farms and stock their sole property, even as the stocks and bonds of the investor represent his credits.

This bill does not seek to give the farmer a key to the Federal Treasury but enables the Secretary of Agriculture by prescribed means to help lift the farmer out of his present distress. It may cost the Government money to do this, but Representatives who would vote against this bill because of possibility of expenditures and exercise of discretion by the Secretary of Agriculture, have in the past blindly voted approximately \$1,000,000,000 for a flood-control Senate bill, which was defeated. That bill, under the direction of President Coolidge, we cut down in the House to less than one third of the amount, and it has never again been proposed for passage since that time. I took active part in that saving, but fear like visionary bills may be in the making in an effort to employ those out of work.

All the expenditures by the Secretary of Agriculture through this bill I predict will be less than was saved by



that one flood control bill, and less than poor investments and transactions by the Farm Board. It is only an insignificant fraction of Government expenditures I have noted, but if it exceeded the anticipated amount I believe it can be justified and should be started without delay.

In common with practically every other Member I have been denounced and abused by those who indulged in like expressions back during the war hysteria. I believe this country is on the upgrade. I also recognize President Roosevelt is the leader not alone of the Democratic Party but of all the people, and as such leader we owe unqualified allegiance to him in his efforts to rehabilitate business.

Thus far I have given complete support to President Roosevelt's banking program and law we then passed. Second, I supported his economy bill that to some degree was improved by amendments in the Senate before final passage. Again, I supported his plea for revenue with which to balance the Budget through a nonintoxicating beer bill. I am not disposed to argue what the Supreme Court will do, nor what my own course has been on the liquor votes in the House. I have no regrets or apologies to offer. Apart from support of the President, who signs the bill, I do not believe he is going to break the law in securing this additional beer revenue. If so, the courts will declare our action so taken to be unconstitutional and void. If not, now that the Federal liquor law prosecutor has directed no further prosecutions are to be had of speak-easies, and a general refusal of States, including our own, to enact enforcement laws, has occurred, the best course to pursue during the period when a repeal measure is being fought out in 48 States is that indicated in my speech and by my vote when that bill was before the House. Through passage of the economy and "nonintoxicating" beer bill the President now says we can balance the Budget and avoid a new tax bill burden.

The best means of arousing public sentiment through license of 3 per cent malt drink over a 50 per cent alcoholic drink now illegally sold in countless speak-easies in practically every State would be through the licenses.

We have had bank "holidays" during which time banks were closed so a survey could be made by Government examiners to pass upon the ability of every Federal banking institution to meet demands of its depositors if another hoarding stampede was threatened. That I believe will not again occur.

We have had forced "holidays" to prevent discharge of Government employees by extending their leaves without pay in order to economize in the effort to balance the Budget, but many of my Eastern colleagues are not familiar with "farm holidays" that are frequent throughout the Middle West during these days of agricultural distress. In an effort to secure production costs on their farm products, force has been used by distracted men to prevent marketing at different farm centers even to the extent of destroying food products in an effort to raise farm prices. To those unacquainted with the distress in agriculture I can say that it is a serious business when force is used that cannot be controlled by law or by the courts.

Refusals to permit forced sales of farms by foreclosure or deficiency judgments to be entered or bids to be had at published sale proceedings have great significance when voiced by lifelong law-abiding hard-working citizens who see their life savings swept away by mounting debts and reduced farm prices.

That condition Congress has promised to remedy so far as legislation permits by reducing interest rates on farm mortgages, by extending a moratorium or debt holiday of years in which to pay farm mortgages even as we extended war payments due from our European debtors to our Government. More important, possibly, in the minds of many is the proposal to revalue the dollar so that the same relative values would pay debts negotiated several years ago.

The bill before us seeks to raise farm prices as stated in the bill:

To provide for reduction in the acreage or reduction in production for market or both of any basic agricultural commodity

through agreements with producers or otherwise and to provide rental or benefit payments in connection therewith in such amounts as the Secretary of Agriculture deems fair and reasonable to be paid out of any moneys available for such payments.

In its many provisions the bill expresses a purpose of having the processors bring farm products up to cost of production and permit a profit to the farmer, and if necessary the Government's credit during this emergency is extended so as to make successful the purpose.

To expressed fear that cost of consumption will be materially increased it may be answered that it is not the farmer or producer who is entirely responsible for increased costs often running several hundred percent above the farmer's return like the corn and milk illustrations. Marketing through many instrumentalities, from the different selling agencies, to the transportation charges and cost of processing are all cogs in the wheel of costs some of which are sought to be reduced by cooperatives. The actual effect on retail prices by this bill will be largely absorbed in many cases before reaching the consumer, but in our economic life it is certain that unless the producer can receive the cost of production he must join the already swelled ranks of unemployed.

That is a prospect no country in the world, much less our own, will accept without protest, hence this bill that seeks to meet the farm-income needs without undertaking the experimental method of price-fixing attempted by the Farm Board.

I believe it is the best bill yet offered to bring about better returns to the farm producer although other legislation is needed.

It is an emergency measure conferring on the President power to undertake an experiment approved by the best farm experts he can bring to his aid. It empowers him to act with practically dictatorial powers in this purpose to aid agriculture and at any time to cease operations after determination that the emergency has expired. Only by such means can its purpose be carried out effectively.

Propaganda against all these relief bills has been showered on Members, but I have decided to support the President, who, I trust, is leading us out of the depression. I will trust him until he fails us; and if he fails, we can look to other leadership. He is now at the helm.

Protests against passage of the farm allotment bill are before me; but I believe it is the best bill yet proposed, and I shall vote for it and for any other farm-relief measures that may be offered to give permanent aid to agriculture through lower interest rates and extension of time in which to meet debt obligations. Only by increasing the buying power of agriculture, with its twenty or more million members of farm families, can prosperity be brought back to this country. We have legislated for the banks and their depositors; we now seek to do equal justice to our greatest industry. That is the purpose of this bill.

Mr. FULMER. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. LOZIER].

Mr. LOZIER. Mr. Speaker, H.R. 3835 is entitled "A bill to relieve the existing national economic emergency by increasing agricultural purchasing power." It is one of a number of measures proposed by the Roosevelt administration to rehabilitate our economic life and restore normal and prosperous conditions. I am wholeheartedly supporting the President's program, although there are some provisions in each measure that I do not approve, and in reference to the workability and wisdom of which I have grave doubts. But, all things considered, the measures submitted by President Roosevelt are sound, workable, wise, and wholesome and will, in my opinion, help lift the pall of depression, restore confidence, inspire courage, and enable the American people to beat a pathway out of the wilderness to a state of economic balance, ease, and independence.

In a period of unprecedented Nation-wide distress the electorate turned to Franklin D. Roosevelt for relief. They believed he would be mindful of their afflictions, lift the yoke from their necks, and lighten their almost unbearable burdens. Their faith has not been in vain. Their confidence will not be betrayed. President Roosevelt is making good, and conclusively demonstrating that he is a man of



the people, that his heart beats in sympathy with the toiling millions, and that the supreme purpose of his administration will be to establish social justice, promote the welfare of all the people and not merely the prosperity of a few favored groups.

By bold and speedy action our new President caught the imagination of the American people. He delivered no lengthy dissertations on our economic ills, but forthwith grappled with the forces of fear and overcame them. Having made a prompt but correct diagnosis of our governmental and economic maladies, he, like a skillful and resolute surgeon proceeded to administer heroic treatment. His sharp scalpel cut away the putrid and festering flesh of Government waste and prodigality, but halted before it touched a vital organ. He initiated wise constructive legislation, introduced economies and efficiencies in public affairs, and caused 125,000,000 people to right-about-face and march with steady stride back to prosperity and the high ideals of our constitutional fathers.

Some of our Republican friends have said this is not a farm relief bill but a patronage bill because it provides that employees under this act may be selected without reference to the civil service law. If we should require all employees under this act to qualify under the provisions of the civil service law, the examinations would require many weeks and months, and in the meantime the benevolent activities contemplated by this bill would be suspended. It is of vital importance that this act be put into operation at once to the end that its beneficent effects may be secured by farmers in the sale of this year's crops.

When President Hoover and his party leaders drew the Reconstruction Finance Corporation Act they were "as mum as a mouse" about civil service laws. That act was drawn at the White House and was conceded to be a Republican-administration measure. And yet it allowed the board of directors to select their employees without reference to the provisions of the civil service law. Section 4 of the Reconstruction Finance Corporation Act reads as follows:

SEC. 4. The Corporation shall have succession for a period of 10 years from the date of the enactment hereof, unless it is sooner dissolved by an act of Congress. It shall have power to adopt, alter, and use a corporate seal; to make contracts; to lease such real estate as may be necessary for the transaction of its business; to sue and be sued, to complain and to defend, in any court of competent jurisdiction, State or Federal; to select, employ, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the Corporation, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States; to define their authority and duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents.

In writing the Reconstruction Finance Corporation Act, President Hoover and our Republican friends on the other side of this Chamber ignored the civil service and proceeded to appoint an army of Republicans to manage the affairs of that great organization. I am reliably informed that in the first 2 weeks after the passage of the Reconstruction Finance Corporation Act 30,000 persons applied to its directors for employment. I am not informed as to the number of persons employed by that organization, but a call of the roll would not disclose many Democrats. In view of the record of our Republican friends in honey-combing the Reconstruction Finance Corporation with Republican employees it does not lie in their mouths to criticize Democrats for having in the pending bill the same provision with reference to the personnel that was carried in the Reconstruction Finance Corporation bill. People who live in crystal palaces should not propel irregular formations of granite.

Now, the value of any legislation depends largely on its wise and sympathetic administration. A good law improperly and unsympathetically administered is disappointing, and may injuriously affect the people it was designed to help. On the other hand, a law that is in some respects objectionable, if wisely and prudently administered, may be very helpful and materially ameliorate the condition of the people.

The pending bill is not entirely satisfactory to me. Some of its provisions are objectionable, some of doubtful constitutionality, and the benefits that will accrue from certain parts of the act will, I am sure, be exceedingly disappointing. I wish we had time to debate its details, but some of its provisions are highly controversial, and if we do not limit debate, and if the right to amend is unrestricted, no one could with accuracy forecast when a final vote would be reached. Moreover, complicated bills of this character cannot be written on the floor of the House. If the bill in its present form is so objectionable that the House cannot accept it, then it should be sent back to the Committee on Agriculture to be recast.

But considered altogether, I am convinced farmers will be substantially benefited by its enactment. I think we can well afford to try out the measure, which all concede is experimental. The plight of agriculture is so tragic that something must be done and done quickly. If we wait until we are sure we have a perfect bill, agriculture will perish while we debate and quibble.

The bill vests in the President and Secretary of Agriculture broad powers and a wide discretion. They can feel their way carefully and act with the utmost deliberation. I believe every movement by the President and Secretary of Agriculture will be well considered and will be promptly recalled if it appears that the plan is unworkable or liable to injuriously affect the public. Practically all forward steps in government and economics are experimental. Every great political or social reform was prejudged as impractical and unworkable. This is a temporary or emergency measure. I do not expect it to solve the farm problem. Its purpose is only to hold the line until a more satisfactory formula can be worked out to restore agriculture to its rightful place among the profitable occupations.

I have unlimited confidence in the patriotism, sincerity, wisdom, and sound sense of President Roosevelt. I know he will not misuse or embezzle the great power this bill vests in him. He will wisely and well weigh each decision and faithfully administer the trust committed to him by a confiding people. Moreover, I have great confidence in Secretary Wallace. I have known him for years and I highly appraise his fine qualities of heart and mind. For his lamented father I had an unfeigned affection. As Secretary of Agriculture under President Coolidge he unflinchingly and ably championed the cause of American agriculture. In millions of farm homes throughout the Nation the present Secretary of Agriculture is and his father and grandfather were revered as outstanding, aggressive, and militant champions of American agriculture.

On a number of occasions I have, on this floor, taken occasion to pay what I considered a deserved tribute to Henry Wallace.

No man in America understands the farm problem better than the present Secretary of Agriculture. No one is more interested in rehabilitating this great basic industry. No man has more studiously and unselfishly dedicated his life and talent to the difficult task of placing agriculture on an economic equality with industry. No man is more securely entrenched in the confidence and affections of the farmers of America. They trust him implicitly and they well know that trust will not be betrayed.

Because of the pathetic state of agriculture, because of my belief that something must be done immediately to save the American farmers from penury and peasantry, because of my unalloyed confidence in the wisdom, prudence, sound sense, and good judgment of Franklin D. Roosevelt and Henry Wallace, I am going to vote for this measure, though objectionable in numerous respects, well knowing that those to whom we commit this far-reaching power will use it wisely and well, or refuse to use it if in their opinion its exercise will be inimical to the best interests of the American people, and who will, after this emergency has passed, yield back to this Congress and the Nation the wise discretionary powers with which we have for a brief season clothed them. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Missouri [Mr. LOZIER] has expired.



Mr. FULMER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. LAMNECK].

Mr. LAMNECK. Mr. Speaker, I am sorry I have not more than 5 minutes in which to discuss this important subject.

I do not want to take the attitude of in any way interfering with anything that is going to restore normal business conditions. I voted for President Roosevelt's banking bill; I voted for his prohibition bill, and I voted for his economy bill, but I do not believe this is his bill. I give him credit for having better judgment than to present a bill like this.

Now, they say to you in the consideration of this bill that this is a farmer's bill. I want to read something that some of the farmers say about this bill.

Quoting from the National Farmers' Holiday Association convention, held at Des Moines, Iowa, March 11, 1933:

In considering measures intending to bring relief to agriculture, which merely outlines some idiotic proposal to take certain lands out of production, and for the Government to pay rental for such unused lands, this Congress is wasting its time and the money of the people.

Quoting again from a proposal that was sent to the farmers by the editor of the Kansas City Star, asking this question:

Do you favor the Federal Government attempting to control prices or production through stabilization or other schemes, directing price movements against natural influences?

Every State that was polled on that proposition voted against it with one single exception. Then they tell you that all the farmers are for this bill. The only thing I am for in this bill is, and it is contained in the title:

To relieve the existing economic emergency by increasing agricultural purchasing power.

I am in favor of that. I will do anything that has reasonable promise of increasing the agricultural purchasing power of this country. I am here to tell you that you will not have any prosperity until you can do that, but this bill will never do it. It will be absolutely a failure, and it will be disappointing and it will not accomplish the things you intend to accomplish, and I wish I had the time to give my reasons.

Mr. MARTIN of Colorado. Will the gentleman permit a question?

Mr. LAMNECK. I am sorry I cannot yield at this time.

What does this bill propose? The Secretary of Agriculture is going to buy cotton from the Federal Farm Board, and he is going to pay a price for it. What price? They do not tell you. Is it 10 cents a pound? Is it 15 cents? Is it 20 cents a pound, or how much is it? How much are the liens on this cotton? They do not tell you. I will tell you what it is. The liens on this cotton amount to \$94,000,000, or \$40 a bale, which you can buy now for \$25 a bale. Then, they are telling the farmers: "Now, boys, come in on this deal. We are going to make a lot of money for you. We are going to pay \$40 a bale for cotton that can be bought for \$25, and we are going to make a lot of money on it by 1935 and give you back a big divvy out of it." A 14-year-old schoolboy would not make such a proposal. You cannot make money by paying \$40 for something which you can buy for \$25. Why do we not forget talking about these quack remedies, and why do we not try to legislate on the real cause of the depression? Do you know what this depression is? This is a money depression. You will never cure the depression until you legislate on monetary matters. [Applause.] What do the farmers out West and other groups of farmers say? "We refuse to pay taxes and other indebtedness until you serve us an honest measure of value in the American dollar." You cannot fool them. They know what is wrong.

What did a committee of this House say on May 14? A committee of our House of Representatives said to the House this:

This committee, through the weight of testimony, has learned that major depressions have followed governmental action which directly resulted in the dislocation of money and, through it, of commodity values.

What more evidence do you want? What else did they say?—

Our investigation has revealed that certain European nations, in an effort to protect their manufacturing industries by affording a better cost basis through lowered prices of raw materials and foodstuffs, deliberately depressed the world commodity price levels below bounds that admit of any profit to the American producer.

Why do you not devote our activities to legislation that will cure this depression instead of trying to put up a lot of quack remedies like this bill?

What we need is an American plan that puts America in control of money values, so that we can bring about a price level that gives to American farmers a profit instead of a loss.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. LAMNECK] has expired.

Mr. CLARKE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. BRITTEN].

Mr. BRITTEN. Mr. Speaker, I have been in this House for 20 years. I went through the Great War with President Wilson, but never in all these 20 years have I voted upon or been called to vote upon so gigantic a pork barrel for political patronage as this bill. The number of jobs will run into scores of thousands.

Now, my friends, do not deceive yourselves when you vote on this bill this afternoon into believing you are voting for a farm relief bill, because you are not. We voted a good bill the other day when we followed your President and aimed to save \$500,000,000 next year. Where is this saving coming from? It is coming from the Federal employees and from the veterans, and that \$500,000,000 will be taken right out of the general circulation.

What are you going to do today? You are going to pass a bill which will tax every consumer in the United States, every man, woman, and child, from \$6 to \$10 per year. You are going to collect from them between \$800,000,000 and \$1,250,000,000.

Where does this money come from? Is it a general manufacturers' sale tax? No; of course, it is not. It is a tax on the essentials of life and nothing else. Mr. Speaker, who is going to pay it? The veterans, the Federal employees, the 15,000,000 men who are walking the streets half-starved. Who is going to pay this \$800,000,000 to \$1,250,000,000 that you say will be raised by taxing the processor? It is nothing more nor less than a manufacturers' sales tax, but it is a vicious tax because it taxes the very essentials of life. The very things that were excluded in the great Democratic bill that my friend McDUFFIE, of Alabama, tried to put through in the last Congress. They excluded in that proposed sales tax the very things that are being taxed by this bill today. This is the ridiculous part of the whole thing.

Everybody who has talked on this bill on either side of this aisle, absolutely everybody, has more or less apologized for it because they said it is an experiment. Your President refers to it as an experiment.

I will make a prophecy, my friends. This experiment will die an ignominious death just like another noble experiment died in the last 4 years. [Applause.] I refer to the repeal of the eighteenth amendment. You and I heard President Hoover stand here 4 years ago and talk about a noble experiment. He talked for 45 minutes about that one issue. It was a great experiment, but a very costly one. It died because it was impossible. It had to die. This is going to be another noble experiment that will die within 12 months. I will tell you why it will die, and I will use the President's language.

Mr. Speaker, as a candidate for the President, Governor Roosevelt repeatedly informed the country that he had a very definite agricultural relief program which he would submit to the Congress if he were elected, and if he were given a Democratic Congress would guarantee its speedy enactment into law.

At San Francisco, September 23, in his address at the Civic Auditorium, Governor Roosevelt said:



The farm problem is probably the most serious that faces our Government today, and you people in the cities know how dependent you are for your prosperity on the purchasing power of the farmer of your Nation. Until the purchasing power of the farm is restored industry itself will never revive. \* \* \* And I propose as a temporary measure, until we reestablish world trade through a sensible method of tariff by negotiation, to provide for the farmer what he calls a tariff benefit.

That, my friends, in simple terms means that the farmer is to receive a price for his product, that portion of his product that is consumed in the United States, a price equal to the world price on these commodities plus the amount of the tariff.

Now, my friends, that is something definite. It is something that intelligent farm leaders have been asking for and advocating year after year. It is not visionary. It is practical.

Mr. Speaker, referring to his Topeka speech of September 14, Governor Roosevelt at Sioux City, Iowa, September 29 and at Wheeling, W. Va., and Springfield, Ill., also at Atlanta, Ga., said:

The basic purpose of my farm program is to raise prices on certain agricultural products by some form of what the farmers of this country know as a tariff benefit. There is nothing mysterious about this and nothing visionary. It is recognized by the leaders, not only of agriculture but of the industrial world as well that this is a perfectly sound method.

Mr. Speaker, in closing his campaign in a speech at the Metropolitan Opera House, New York City, November 4, Governor Roosevelt reviewed what he had promised the people in the way of a definite program of reconstruction which would lift them out of the depression. The following is an excerpt from that speech:

I have sought during these months to emphasize a broad policy of construction, of national planning and of national building, in harmony with the best traditions of the American system. \* \* \* At Topeka I outlined a complete national plan for the restoration of agriculture.

Mr. Speaker, so much for the definite promises which he continually made.

What is his definite plan which, he repeatedly stated during the campaign, had been worked out? That it was practical; that it was not visionary; that it had received the indorsement not only of agricultural leaders but of industrial leaders that it was workable? He submitted this plan to Congress in a special message, Thursday, March 16. The best he could say for it was as follows:

Deep study and the joint counsel of many points of view have produced a measure which offers great promise of good results. I tell you frankly it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair administrative trial of it is made and it does not produce the hoped-for results, I shall be the first to acknowledge it and to advise you.

Quite a difference between the President's official presentation of the measure to the Congress and the cocksure promises he made during the campaign!

His message indicates he does not know whether or not it is workable—although in the campaign he said he had a plan which was workable and definite.

In his message he clearly states he does not know whether it is practical—although in the campaign he said the plan he had worked out was practical.

In his message he clearly indicates that he does not know whether or not it is visionary—although in the campaign he assured the people it was not visionary.

In his message he clearly indicates there is nothing definite in his mind as to whether or not it will bring about the desired results—although in his campaign he repeatedly told the people his plan was definite.

Mr. Speaker, I am quite convinced that what the farmer needs more than anything else is to be rid of the racketeers around him who call themselves "farm leaders." The farmer would quite generally work out his own salvation if he were not always hampered by professional farm-organization leaders who lobby with Congress upon the pretense that they are representing millions of farmers when in fact they are but representing themselves and the jobs they hold.

These lobbyist farm leaders no more represent millions of farmers than does Bishop James Cannon represent the sentiment of the millions of good people who happen to belong to the same church that he does, but whose views on prohibition are diametrically opposed to his.

I am told upon the very best authority that 90 percent of all the big farm organizations in the United States are nothing more nor less than "rackets" promoted by clever self-seekers who have for years used the farmer as a decoy for their own political and financial gain.

The bill before the House is more bolshevistic than any law or regulation now existing in Soviet Russia, and if enacted into law in its present form will make Secretary of Agriculture Wallace a more positive dictator of American food control and prices than was President Wilson himself during the World War.

Of course, we all realize that this stupendous undertaking is but based upon a hope that it will prove successful. The President himself expresses but a "hope" for its success, and he frankly says that he will be the first one to admit the defeat of its purpose if it does prove unsuccessful in improving conditions for the farmer and his family.

It is estimated that some \$800,000,000 will be spread among the farmers of the country through a tax which will be collected from the processor of farm products. The processor is nothing more nor less than a manufacturer, and this bill, therefore, is nothing more nor less than a manufacturers' sales tax, and while I have always favored a general manufacturers' sales tax I cannot bring myself to favor a legislative measure which will tax the bread, the butter, the lard, the pork, beef, cotton, and every other essential product of life at a time when salaries are being reduced the country over and when unemployment is nearing the 15,000,000 mark. I would much prefer this same kind of a tax on the non-essentials of life and health. This bill is quite contrary and just the opposite in its heavy taxing powers to the manufacturers' sales tax which was before the House in the last session of Congress. It particularly avoided a tax on foodstuffs. This particularly taxes foodstuffs and farm products and nothing else.

If it were not for the presence of the so-called "farm leaders", this House would right now be considering legislation for the refinancing of farm mortgages which are now causing most of the farmers of the country acute embarrassment and sleepless nights. Interest rates and serial payments are of much greater importance to the farmer himself than is the percentage of land which he may or may not be permitted to farm. The reestablishment of his credit facilities is his greatest ambition. An understanding or perhaps railroad legislation which will give the farmer a lower adjustment of his freight rates both in and out of his farm would benefit him tremendously and would undoubtedly bring increased revenues to the railroads themselves.

Improved marketing conditions and a probable adjustment of trade barriers in the interest of his market are important directions for study by congressional committees.

As I have said before, I truly believe that the farmers' greatest obstacle is the so-called "professional farm leader", and the quicker that the farmer and the country gets rid of him, the better for all concerned.

Mr. Speaker, this misnamed relief bill violates every sound principle of taxation.

It is axiomatic that the smaller the wage or income of a family, the greater the proportion of that income which must be spent for food and clothing.

In other words, every family must first provide for food, clothing, and shelter, the three prime necessities of life. These items must be taken out of every family budget before anything else is purchased. Consequently, the smaller the family income the larger the percentage of that income which must go for food, clothing, and rent. Those who are merely existing take practically all their income for these three items.

A survey made by the United States Labor Bureau about 3 years ago of the manner in which the average industrial worker of the United States spends his dollar showed the following division of the average workingman's budget:

	Percent
Food.....	32.3
Rent.....	22.6
Clothing.....	12.2
Fuel and lights.....	6.0



	Percent
Household furniture and fixtures.....	5.2
Doctors and medicine.....	3.8
Insurance.....	3.4
Car and bus fare.....	2.2
School expenditures.....	.4
Miscellaneous.....	11.9

From this analysis it is seen that food and clothing, under normally prosperous conditions with the wages and the standard of living which prevailed at that time, took 44.5 per cent of the income of the industrial workers of the United States.

As wages decrease, the items contained in the classification of "miscellaneous," which includes recreation, travel, and so forth, and the other items, with the possible exception of doctors and medicines, must necessarily decrease, and it takes a larger and larger percentage of the family income to provide food and raiment.

Under the present industrial conditions it is safe to assume that practically all the income of industrial workers is consumed in an effort to provide food, clothing, and shelter. This is evidenced by the decrease in the purchase of other commodities not classified as necessities, such as automobiles, radios, household furniture, and so forth.

It is a fundamental principle of taxation that taxes should be levied according to the ability of the individual to pay. That is the principle followed in the formulation of the income tax.

The opposition to the general sales tax was based upon the argument that it taxed the poor man out of all proportion to his ability to pay. To rectify this inequality the sales tax as presented to the House proposed to exempt from its provisions all articles of food and clothing.

The domestic-allotment plan is a sales tax confined exclusively to food and clothing. It therefore is a violation of the fundamental principles of just and equitable taxation in that under present conditions it would levy upon practically all of the income of industrial wage earners and other wage earners who are working on greatly reduced salaries. Under the provisions of the bill as introduced, the prices paid the farmer for cattle, sheep, hogs, wheat, cotton, corn, butter, and cheese would be from 150 per cent to 300 per cent greater than the prices now paid, without allowing any pyramiding, which is inevitable in the processing and merchandising of any agricultural commodity. These figures mean that the cost of food and clothing made from the agricultural commodities above named would be increased by that much to the consumer.

Furthermore, the bill hoggies the consumer. It allows him no escape from this increase in living costs by the substitution of other articles. For example, if he seeks to avoid an increase in the price of butter by buying oleomargarine, the bill provides the Secretary of Agriculture shall stop such substitution by levying a processing tax on oleomargarine.

Or take clothing made from cotton. If by reason of this bill becoming a law cotton goods would double or treble in price and the ultimate consumer endeavored to escape this increase by switching to rayon or other textiles, the bill provides the Secretary of Agriculture shall immediately levy a high tax on such substitutes.

This proposal is not only a violation of the fundamental principles of equitable taxation, but it is a repudiation of practically every Democratic platform that has been written since the Civil War. All such platforms have demanded that all general taxes should be levied upon the wealthy. The Democratic platform of 1924 states that any system of Federal taxation should not "take from the poor any part of the necessities of life", and that all Federal taxes should be "so adjusted as to lay the burden of government upon the taxpayers in proportion to the benefits they enjoy and their ability to pay. We oppose the so-called "nuisance taxes, sales taxes", and all other forms of taxation that unfairly shift to the consumer the burdens of taxation." The same thought has found place in practically every Democratic platform. For instance, in 1888 the platform said:

All unnecessary taxation is unjust taxation. It is repugnant to the creed of Democracy that by such taxation the cost of the necessities of life should be unjustifiably increased to all our people.

The Democratic platform of 1884 was almost prophetic in its denunciation of this very bill, for it said:

We are opposed to all propositions which, upon any pretext, would convert the General Government into a machine for collecting taxes to be distributed among the States or the citizens thereof.

And the Democratic platform of 1880 was scarcely less prophetic in its denunciation of the present Democratic proposal, for it said:

The Democrats of the United States in convention assembled declare opposition to centralization and to that dangerous spirit of encroachment which tends to consolidate the powers of all the departments into one, and thus to create, whatever be the form of government, a real despotism.

Mr. FULMER. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. SIROVICH. Mr. Speaker, ladies and gentleman of the House, when our Government was founded we had a population of 3,000,000 people, of whom 98 percent were interested in agriculture while 2 percent applied themselves to industry. During the last century the industrial revolution had spread throughout the civilized world, converting agricultural countries into industrialized nations. In our Republic today our Nation has been industrialized to the extent of 65 percent, while agriculture balances the equation with 35 percent. In other words, 80,000,000 people who live in our country earn their livelihood as servants of industry, while 40,000,000 people earn their daily bread by tilling, plowing, and gathering the fruits of agriculture. Let me briefly recapitulate the tragedy that has befallen agriculture during the last 12 years.

In the year 1920, 49 banks failed in the agricultural districts. In 1928, 800 banks failed in the agricultural sections of our Nation. From 1928 to 1932, 3,000 banks failed in the farming communities of our country. From October, 1929, to December, 1932, the loss in revenue to the farmers amounted to \$14,200,000,000. During that period more than 100,000 farms have been foreclosed. Mortgages have been wiped out. Thousands of farmers have deserted their homes, to travel with their families to the great industrial centers, there looking for work and competing with the army of industrial unemployed.

Mr. Speaker, ladies and gentlemen, were I gifted as a cartoonist I would draw a picture for the Membership of this House that would very readily visualize to our Members the tragic economic suffering that the farming interests of our country are undergoing. Picture a wagon labeled "Prosperity." Its driver is called "Capital." The two horses pulling the wagon are agriculture and industry. So long as the horses driven by capital, pulling the load called "prosperity", were cooperating and harmonizing while harnessed together, prosperity was moving onward, forward, and upward to its destination.

During the last 12 years, however, the driver, capital, has been using a terrible Republican whip, with which he has lashed, beaten, and maltreated unmercifully the horse called "agriculture". What was the result? The horse called "agriculture" was lying helpless, hopeless, and prostrate in the gutter of Republican prosperity. He had collapsed and was no longer able to cooperate with the horse called "industry" to pull the load of prosperity into the hearths, homes, and firesides of our American people. The horse called "industry" is now unable to move and pull the load of prosperity because agriculture has continuously been pulling him down. Industry is now ready to collapse himself. He can no longer continue to pull unless we immediately lift up agriculture to help him pull the load. [Applause.]

Mr. Speaker, ladies and gentlemen, President Hoover, when he was elected, recognized this condition. He called for a special session of Congress to place agriculture on a parity with industry. When the legislation was completed



it gave birth to the legislative monstrosity known as the "Hawley-Smoot tariff bill". Its object was to place agriculture upon an equality with industry. It failed in its purpose. It sounded the deathknell for agriculture. It was unjust, unfair, and iniquitous to the interests of agriculture. Why? Because it made agriculture the victim of a high protective tariff, that compelled the farmers to purchase their goods and materials in the restricted markets of our country, and sell the product of nature's soil in the cheap-labor competitive markets of the world. [Applause.]

Behold cotton selling today for 6 cents a pound, corn for 10 cents a bushel, and wheat for 30 cents a bushel. The farmer is receiving less for the products of his soil today than he received during the Civil War, while everything that he utilizes, purchases, and needs for his home and family has been increased thousands of percent.

I come from the city of New York, the greatest industrial center of the world. The most cosmopolitan and metropolitan city of our country. I have been consistent in my uniform support of farm legislation. I spoke in years gone by for the McNary-Haugen bill with the principle of debenture and the equalization fee. I raised my voice and supported with my vote the appeal of the farmers for justice in their behalf. I have uniformly supported every Republican measure that has been designed to strengthen, better, and ameliorate the plight of the farmers of our Nation. [Applause.]

Forty million farmers are in destitute and tragic circumstances. Their homes have been confiscated. Their mortgages have been foreclosed. They cry aloud against the frightful taxes that have been levied against them by city, State, and Nation.

My colleagues from the great industrial State of New York will undoubtedly heed their call and respond to their cry. [Applause.]

The reason that hundreds of thousands of the citizens of New York are unemployed is because the goods that they manufacture as dresses, coats, suits, shoes, stockings, underwear, and countless other commodities are unable to be consumed by the best customers of our people, and they are the farmers.

Mr. Speaker, the main purpose of this bill is to raise the price level of farm crops of the present time to the pre-war 1909-1914 level. This will place the entire cost of the farm-relief program directly upon the millers, the packers, and other processors of the commodities affected. Indirectly, it will affect the consuming public, stabilize agriculture, and once and for all honestly and justly attempt to place agriculture upon a fair and true parity with industry. [Applause.]

[Here the gavel fell.]

Mr. FULMER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. GILLESPIE].

Mr. GILLESPIE. Mr. Speaker, ladies and gentlemen of the House, we stand in the dawn of a new day and shall soon pass out into the sunlight of a general prosperity. To attain this we must follow our leader.

Franklin D. Roosevelt was nominated and elected President figuratively and almost literally by acclamation.

Wisdom is defined as the art to properly use and apply knowledge, and measured by this standard I account our President to be the wisest who has occupied the Executive chair for many years. He has wisdom, courage, industry, and honesty.

He only knows that his platform pledge is a promise to be literally kept by him.

In any great movement that succeeds there can only be one leader.

Columbus found a pathway to a new and better world because just a few—a little crew—followed and stood by him as he sailed the unknown seas.

The children of Israel have given to the world its greatest leaders and statesmen and its finest literature.

For some sin or disobedience this splendid race became the chattel slaves of a tyrant.

In faith, loyalty, and fidelity, through a wilderness for 40 years, they followed their leader Moses out of slavery and degradation into the Promised Land.

George Washington, of Virginia, the greatest man who has lived in the last 2,000 years, the wisest man, the most courageous man, took command of a ragged colonial army of farmers who followed him for 7 long years through the wilderness, through travail, on through Valley Forge, and on to Yorktown, and with these undisciplined but loyal followers he built a new nation upon the principle that every child of the Republic is entitled to a pathway down which to travel, secure in life, liberty, and happiness, with a natural opportunity upon which to work and to eat the bread produced by his toil.

I call you to witness that the mighty walls of this Republic were built by farmers. Washington was a farmer; Jefferson who wrote the Declaration, and Madison, the author of the Constitution, were farmers.

Why, then, have the farmers, the people of this Republic, from the out-of-doors, been outlawed in the market place?

The farmer is engaged in a basic industry producing the food upon which the human family subsists, and the clothing and most of the raw materials.

In normal times he owns less than one third in value of the Nation's property, receives but 10 percent of the Nation's income, and pays more than half of all the taxes collected in the Nation.

This is the finest body, the most earnest congregation of men and women with whom I have ever been associated, and I am mighty proud to have a seat in the Seventy-third Congress with such distinguished colleagues.

In the heart of the Corn Belt, on the rolling prairies of Illinois, the richest lands on earth, lies the Seventeenth Illinois Congressional District, which I have the honor to represent.

The farmer out there has been reduced to bankruptcy because of 7-cent oats, 10-cent corn, 3-cent hogs, and 4-cent cattle.

The politician has promised the farmer often and promised him much, but has done nothing but let him sink into bankruptcy and degradation.

We must here and now come to the farmer's rescue.

This bill to help the farmer and the Nation "by increasing agricultural purchasing power" is the most important bill that will be presented to this Congress.

For 35 years I have been reading statutes, State and Federal, and I have never seen a line of law written anywhere to help the farmer. He has never been protected by any law. There has been no court or commission erected anywhere to which he might appeal for economic justice.

The manufacturer is protected by the tariff, but tariff laws hurt the farmer, because they do not protect his products and they increase the cost of everything he buys.

The Interstate Commerce Commission and the various commissions try to see to it that public utilities, such as railroads, that serve the people receive the cost of the service they produce and above that a living profit of at least 6 percent.

The farmer must sell his product in an unprotected domestic market and must sell his surplus in an unprotected capricious world market in competition with all the world; and the poison surplus that he produces presses down the price of his whole market. The price of his surplus fixes the price of his product.

This is because it is impossible by a tariff to protect the farmer. This is because the American farmer sells corn, wheat, cotton, oats, and livestock and produces a surplus of all of these, and therefore no tariff can protect him. A tariff of a million dollars a bushel placed on corn or oats would not increase the farmer's income a fraction of a cent per bushel.

If we pass a law by which the purchasing power of the farmer is increased, it will be the first law ever written in this country that accomplished that purpose.



For the past dozen years, politicians have promised the farmer. Congress has passed various bills advocated by the farm groups, and two Presidents have promptly vetoed those bills.

In this panic, the Congress erected the Reconstruction Finance Corporation, and it has given billions to the banks and about 300 millions to the railroads, but not 1 cent to the farmer. They were going to save the banks and thereby save the Nation, but before we could inaugurate a President every bank in the United States was closed.

Then we read in the paper that the last regular session of Congress had passed a bill permitting the Federal Government to lend money direct to the farmer in these hard times to relieve his distressed, bankrupt condition. And then we read:

President Hoover has given a pocket veto to a Senate bill intended to broaden the base of Reconstruction Finance Corporation loans to farmers.

Then we read President Hoover's comment—his reason for the veto. He said:

It was an attempt to make a pawnbroker out of the Government.

You see now that the farmer is useful for the purpose of feeding and clothing the world and to pay nearly all of the taxes, and yet he is not, in the minds of some, a customer respectable enough to deal directly with his own Government.

Bowed by the weight of centuries he leans  
Upon his hoe and gazes on the ground,  
The emptiness of ages in his face,  
And on his back the burden of the world.

Because he has been discriminated against and differential privileges have been all given to other groups, the farmer has been destroyed.

Within the past few years the mortgages on nearly a million farms have been foreclosed, with the result that the farmer and his family have been driven from his home into the highways.

He has been promised relief but has been given bankruptcy.

Let us pass a farm bill.

With all these promises through the years, the last session of Congress could hardly get a farm bill out of the committee.

President Roosevelt is to be congratulated and this House is to be congratulated on its work thus far. We have done more for the people in 2 weeks than has been done for them by the Congress in the last 8 years.

#### BERSHERS PLAN

For the consideration of the House I present to you a well-considered plan that I believe will solve this whole problem and will "increase" agricultural purchasing power.

It is the Bershers plan.

On the opening day of this session I introduced H.R. 1744, which provides:

SEC. 2. It shall be unlawful for any person to sell motor fuel in the United States unless at least 10 percent thereof by volume is alcohol manufactured from agricultural products.

If it becomes a law that all motor fuel, gasoline, shall have a 10 percent by volume of alcohol produced from agricultural products grown in the United States, that law will solve the agricultural difficulty and will afford the farmer a market for all he produces—corn, wheat, oats, and all.

This is no new, untried plan. In the interest of the farmer it has been adopted in many other agricultural countries. It was adopted by France, and the French farmer is now receiving \$1.38 per bushel for his wheat. Germany adopted the plan, and I understand her farmer gets \$1.85 for his wheat and 7 cents for hogs.

The author of this plan, the Honorable Paul Bershers, of El Paso, Ill., states the plan in plain, understandable terms in this language:

That all petroleum products which have a gravity of 36 percent Baumé, or above, that may be used as fuel in internal-combustion engines, shall be adulterated 10 percent by volume with ethyl alcohol, made from agricultural products grown within the continental United States. Ethyl alcohol can be made from any, or all, agricultural products.

This country uses approximately 17,000,000,000 gallons of fuel yearly, which comes under our definition, 10 percent of which would be 1,700,000,000 gallons, which is the amount of alcohol we would need to make from your products. Translated into corn, this would mean a market for approximately 680,000,000 bushels; translated into wheat, it is about 750,000,000 bushels, or almost one fourth of the corn crop and over seven eighths of our wheat crop.

Instead of asking the farmer to reduce his products, this plan would afford him a market for all he could produce on all of his lands and a much higher price for his products.

How may the farmer who has interest to pay on his mortgaged land, and has his taxes to pay, take care of his creditors and pay his taxes and allow fertile lands to lie fallow?

Under this plan the farmer would not produce a surplus that would press the price of his whole market down, for we would import agricultural products instead of exporting them. One hundred and seventy-six million bushels of corn is the most that has ever been exported. That was in 1922. This plan would afford a domestic market that would absorb three times 176,000,000 bushels of corn, or three times as much as we ever exported. Under this plan corn would surely go to \$1 per bushel.

By way of retaliation foreign countries have raised up tariff walls against us and have destroyed the principal foreign markets where we erstwhile sold our surplus farm products.

It is reasonable to ask will this plan work?

We reply it is now working with the best results in many of the foreign countries.

The gasoline-driven engine, the tractor, has supplanted the horse and mule and driven them from the farm, which has materially reduced the quantity of oats and corn that in olden times was consumed for feed, but which now goes to materially increase the poison surplus.

Twenty years ago, before the gasoline-driven tractor came and before the horses and mules were crowded off, it required all of the crops grown on 80,000,000 of acres for feed. This market for the crop on 80,000,000 of acres is now lost to the farmers forever.

The Bershers plan asks that this market be brought back. Under this plan, instead of feeding oats and corn to the mule and the horse, we feed it to the tractor; and under this plan we will feed more than three times the amount of bushels to the tractor than we used to feed the horse and mule.

What a great solution of the paramount difficulty—the question of agriculture.

Alcohol can be produced from corn and wheat and from almost any other agricultural product.

Bear in mind this is no new thing.

It would require few Federal employees to enforce this law.

If the bill that I have introduced, or some kindred bill, should be enacted into law it would solve the problem itself, and I am sure it would aid any other general plan that might be adopted. It does not conflict with any other plan. This fuel has been tested by the State Universities of Illinois and Iowa. This gasoline of alcoholic content of 10 percent by volume has been used by practical mechanics and men skilled in handling gasoline-driven engines, and it is acclaimed by all to be not only as good as the ordinary motor fuel but a better fuel. Most of this alcohol would be produced from corn and wheat. There is 2½ gallons of alcohol in a bushel of corn and 2¼ gallons in a bushel of wheat. Anybody who understands the market understands that when corn goes up wheat goes up, and when wheat goes up corn goes up, and hogs, sheep, cattle, and cotton go up when either of these staples rise in price.

When the farmer is prosperous and has buying power he embodies more than half of the domestic purchasing power.

Give the farmer prosperity and factories will instantly start up and the army of unemployed will be restored to jobs and prosperity will be here to stay.

We should go about this task of aiding the farmer and all the workers in the vineyard with energy and all vitality, our blood singing in our veins.



I earnestly invite the Members of the House to examine this plan and collaborate with me and others interested, and to aid us in passing a bill similar to the one I have introduced, based on the Bershers plan.

We are at war. We are in an economic war. Like Brutus, we have been at war with ourselves. I believe that trial by battle—by physical force—that war will go out of fashion and that there will be no more attempts to adjudicate rights by physical force.

We should not forget that at the bar of history prior adjudications of armed force cannot be pleaded and that he who would win in the supreme court of civilized opinion must leave captured colors and the spoil of cities and come with fruits of justice and humanity in his hands.

We are at Armageddon and fighting for the Lord—for justice. The farmer's cause is a holy cause.

From hands that would our land deflower,  
From selfish greed and grasping power,  
From willful waste of freedom's dower,  
From pleasure's flooding wave;

From all unrest by envy bred,  
From all assaults by passion led,  
From anarchy with banners red,  
Good Lord, defend and save.

Let power and justice side by side  
Bring civil peace and civic pride;  
Still may the ancient order bide  
Of law and liberty.

Keep firm the bond of brotherhood,  
Keep green the memory of the good,  
Defend the ramparts, where they stood,  
With men who trust in Thee.

[Applause.]

#### ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3341. An act to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes.

#### THE AGRICULTURAL RELIEF BILL—EXTENSION OF REMARKS

Mr. CARPENTER of Nebraska. Mr. Speaker and ladies and gentlemen of the House, I have so far been unable to find a practical farmer who is supporting this so-called "farm relief" bill. The officers and leaders of a few farm organizations have seen fit to praise and endorse this measure, just as these same ones praised and supported the Farm Board and the Farm Marketing Act. These men are self-styled farm leaders only. They come to Washington and set themselves up as representing the man on the farm; but I have evidence to show that the real dirt farmers do not think as these "Washington farmers" think.

Out in Nebraska this bill will be supported by Sam McKelvie, a Republican and editor of the Nebraska Farmer, which should be called the official "farm-the-farmer" publication of the West. McKelvie's hand is well smeared from being in the Farm Board pie, and it was his intention to build himself up through the Farm Board so that he could unseat the greatest Senator of modern times, Senator GEORGE W. NORRIS, of Nebraska.

This farm relief bill, as I see it, is merely a rehash of sordid and asinine farm legislation which has previously been advanced and rejected, or has been tried with disastrous results. This measure will set up a dictatorial political agency like the Farm Board, with hundreds of patronage jobs for politicians to hand out. It will provide an unlimited number of \$10,000-a-year jobs for so-called "farm organization" heads, with hundreds of clerkships, field men, and helpers. The tremendous cost must be paid. We know that the farmers paid the cost of the Farm Board.

And the farmers of Nebraska do not want another Farm Board. My predecessor in this House, Robert G. Simmons, who served 10 years here, was defeated principally because he was the bird dog of the Farm Board. That shows what the farmers think of bureaucratic farm relief. I represent one of the largest agricultural districts in the United

States—30 large counties. I have traveled through this district holding over 30 meetings with those farmers, in the last 90 days. No man who comes from such a district needs these self-styled farm organizations and professional farm leaders to come to Washington and advance a panacea for the farmer—and to provide jobs for themselves! Nebraska has had its fill of such men as Alexander Legge, Sam McKelvie, and their henchmen, the Farmer Browns and the C. B. Stewards.

One of the organizations endorsing this bill is the Farmers National Grain Corporation, and there is a reason for that support. Under the provisions of this bill one of the first to want to enter into marketing agreements and to borrow money from the Reconstruction Finance Corporation will be the Farmers National Grain Corporation and its numerous subsidiaries. No more Farm Board funds are available for these farm racketeers, and they want a new pocket to get their hands into—they want more money from the taxpayers, and this bill provides a way. That is why the Farmers National Grain Corporation and similar groups are strongly urging the support and passage of this bill.

If any of you gentlemen will go direct to the farmers, you will find they do not want this bill. They know that Congress cannot legislate prosperity for the farmer by pouring millions of dollars into the open hands of these so-called "agricultural leaders" and farm organizations. It will be tragic if the new administration follows the advice of the same group of farm racketeers that presumed to represent agriculture in the Hoover administration. The Republican leadership followed the advice of this group, and the Farm Marketing Act was largely responsible for the Republican defeat and the appearance of so many new faces in Congress this session. And the farmers will send many more new members here next time if we grant dictatorial power to the bureaucrats of Washington to regulate and control the marketing of agricultural products.

The farmers have told Congress time after time what they want done. They want the Government to cut down expenses, to combine and eliminate just such forms of bureaucracy as this bill would set up, and to give them a stable and safe banking system. It may be necessary to hang a few crooked bankers, so to speak, but let us show the people of this country that the laws apply equally as much to the rich as to the poor. When banks are insolvent let them go broke, in an orderly way, and that will do as much toward restoring confidence in the country as anything else. Why should we tax people to carry an institution along which is insolvent? The farmers want strong and dependable banks and reasonable credit.

My constituents want to be able to borrow money on those things which have always been the best security on earth for loans—namely, the farm acres and the products from those acres. Those acres are just as wide and just as long and just as rich in soil as ever before. The grain grown is just as golden and just as nutritious for food as ever before. The cattle on the plains are just as sleek and the steaks are just as savory as ever they were. These farm products should be as sound security as they were 15 years ago.

One of the things that will do a great deal toward restoring farm prices and relieving the farmer in his present plight was advocated by a Nebraskan 35 years ahead of his time. In the latter part of the last century William Jennings Bryan advocated bimetallism, the remonetization of silver. Give us a dollar of both silver and gold and the farmers will get more good immediately than a scheme like this can ever bring them. Give us bimetallism and the markets of the world will be opened to the farmers of America, prosperity will come back to the farmers, and the entire world will be helped.

Let me repeat that the farmers do not want a farm-relief scheme. Recently there was a poll conducted by the Kansas City Chamber of Commerce in Missouri, Kansas, Nebraska, Oklahoma, Texas, and Colorado to learn directly from the farmers of those States in just what esteem some of this farm legislation is held. Here are the results for Nebraska:



The vote was 5 to 1 against a continuation of the Farm Board; 77 percent of the farmers were opposed to the domestic-allotment plan; 91 counties out of 93 voted against the Government's attempting to control prices or production through stabilization, allotments, or other schemes, to direct price movements against natural laws; and 10 farmers voted for to 1 against Government aid in refinancing farm mortgages and other indebtedness at lower interest rates with extended maturities.

Now, Mr. Speaker, in my opinion that proves conclusively what the farmers think of some of these agricultural-relief measures. Regardless of what these self-styled farm leaders say, the real farmers—the men who actually live on the farms and till the soil—do not want the Government sticking its nose into the marketing of agricultural products.

Why do not we look into the political activities of the Farm Board? Why do not we investigate all the other activities of that group? I contend that an investigation of all the activities of the Federal Farm Board and its branches will reveal as much stink as official Washington has ever smelled—so much, in fact, that the Teapot Dome deal will smell like a bunch of roses.

Why has not the Farm Board been investigated? A resolution asking for an investigation of the Farm Board and its activities was introduced by Senator GEORGE W. NORRIS on December 9, 1931. Some months later, on April 11, 1932, the resolution was passed. But nothing was ever done about it. Why? Because the administration then in power did not care to take a chance on what might be disclosed.

Mr. Speaker and colleagues, I cannot support this bill in its present form. The features I find objectionable are those which brought the Farm Marketing Act into disrepute. The best farm legislation that can be passed is that which will give all our people an adequate supply of currency, or money, and open the way to an open and unrestricted market. The Farm Board should be abolished in its entirety at once, and the Government should be careful not to set up another such scheme. Silver should be remonetized. When these things are done, the farmers will be on the open road to prosperity without interference from farm racketeers.

Mr. HOEPEL. Mr. Speaker and Members of the House, I protest the passage of the agricultural bill, H.R. 3835, because it violates the American principle of equality. In my opinion, it is distinct class legislation in which certain agricultural interests are being subsidized at the expense of the American consumer.

What this Nation needs today is an increase in purchasing power, yet, lamentable to say, on the sixteenth instant, this Congress voted a decrease in Federal compensation and veteran benefits approximating over \$600,000,000. The twelve to fifteen millions of unemployed have no purchasing power and they are maintained and primarily saved from starvation and human misery through the altruistic and brotherly interest of those who are employed and whom we have bereft of their just compensation at the behest of the National Economy League.

I vehemently oppose subsidies to any one class, and this includes the bankers as well as the farmers. Proper relief for the farmer is at hand, without the expense of a penny to the taxpayers or consumers of America, through the establishment of governmental credits at 1 or 2 percent to the farmers and home owners of America. If loans at reduced rates to farmers are not sufficient to bring them from their present dilemma, I would suggest tax exemption to all farmers who are legitimate tillers of the soil.

I fear the agricultural bill, which I oppose, will grant to wealthy absentee landlords equal privileges with tenant farmers, which is an absurdity, and therefore I cannot subscribe to it.

Twenty-two billion dollars in tax-exempt securities contribute not one iota to the maintenance of National Government. All wealth in America should be taxed. If this were done, the farmer would not be in the distressing condition in which we find him today.

In the agricultural bill we are attempting to treat an isolated affliction and not the basic cause. Just as in the

case of a drowning man resuscitation through the establishment of proper functioning through the respiratory organs is necessary, so by analogy is resuscitation of our Nation necessary in the establishment of the Government in the banking business in order that the confidence of the people may be restored, that credits may be revived, and thus open the channels of trade. It is more essential that the Government enter the banking business in the interest of the whole people than that it enter the agricultural business, as proposed in this bill, in the interests of a certain special class in the agricultural industry.

The "rugged individualism" of Morgan, Mellon, Mills, and kindred ilk should be relegated to the scrap heap of oblivion and the American people should have restored to them the rights prescribed under the Constitution to coin money and regulate the value thereof. The return of the Government to the people in the interests of the people is more essential to our economic recovery than is the bill under discussion.

Mr. HEALEY. Mr. Speaker, I represent a district in the Commonwealth of Massachusetts composed entirely of consumers within the meaning of this bill. Of course, quite naturally, my first thoughts are for their welfare. However, my mind is not so dwarfed by sectionalism that I cannot recognize the basic economic theory of this bill.

It is quite obvious that the prosperity of the farmer is necessary to our national economic readjustment. If his buying power is restored, it follows that the commercial marts and industrial centers of the Nation will benefit thereby. If this legislation provides the solution to the bothersome and troublesome question of farm relief, then, of course, it commends itself to everyone, whether an urban dweller or a rural dweller, and it deserves the support of all.

At this time of national emergency and stress the Members of Congress are not divided by party lines, but all approach these problems and their solutions with unbiased minds and as patriotic Americans. This legislation is not partisan, and its only earmark of partisanship is the fact that it bears the approval of a Democratic President and is introduced to this House by a member of the Democratic majority. I have a feeling of profound admiration and respect for the President of the United States and a sympathy with him in the tremendous task that he has undertaken. No President since Lincoln has entered the White House at a time when the affairs of our Nation were at such a low ebb and has been faced with so many intricate and far-reaching problems. And no President in our entire history has attacked them with more vigor and courage than the present incumbent of that high office. As a member of his party it is my earnest desire to assist him, in my humble way, to enact into law the legislation which he recommends and, by my vote, to uphold his hand.

This legislation which is before us today is of far-reaching and revolutionary proportions. It is a bold experiment with natural laws and the basic and fundamental laws of supply and demand. It affects the producer, the farmer, the processor, and the manufacturer, as well as the consumer, and its provisions are so vast and all-embracing that every citizen of our country will, in one way or another, feel its effects.

Let us pause and survey for a moment the conditions of the people of our Nation everywhere. On one hand the farmer is impoverished and is unable to pay the taxes and interest that has accrued on his holdings. In our industrial centers unemployment is rife, wages are low and decreasing, welfare lists are full and overflowing, real-estate values have decreased and are still decreasing, and taxes are getting higher. The provisions of this bill propose, directly or indirectly, to levy a tax of over a billion dollars on consumers throughout the country. The essentials and necessities of life, such as bread, flour, meat, clothing, and so forth, are to be increased in price. All of this at a time when wages are steadily decreasing and unemployment is mounting. An authority on grain marketing has made calculations to determine what this would do to food prices, and he states that in contrast to present prices the cost of



pork products to the consumer would be increased 60 percent; of bread, 20 to 30 percent; of beef and mutton, 33 percent; of flour, 60 percent; of butter, 100 percent; and of milk, 15 to 20 percent.

In the light of this knowledge, should we not pause and question if this is the time to contemplate, by direct legislation, action which would bring about so great an increase in the cost of living in the Nation's heavily populated industrial centers? Is there not time for us to pause lest what we do in the name of rural relief will invite urban ruin?

I have given great thought and study to the provisions of this bill. I have listened to the debate with great interest, and I am not convinced that this bill, in its present form, will solve the farmers' problems, and I am not, therefore, willing to risk the burden in increased cost of living and in the necessities and essentials of life that it will inflict upon the dwellers in the industrial districts of the Nation. None of its proponents has argued for it without doing so in an apologetic manner, and none of them will vouch for the proposed legislation, in its present form, as being practicable and workable. This bill entails infinite complications, potential and actual. It proposes the creation of a gigantic bureaucracy, with its tentacles reaching over this broad land to control the citizens of this country. There is no unanimity among farmers that this bill will solve the farm problem, and it is extremely doubtful that the American farmers will willingly submit to the strict supervision provided by this bill. The American farmer has always been an individualist.

By our action here we have taken away pensions from many World War veterans and have reduced the salary of Government workers. Now in this legislation we are asked to pass a bill which involves an estimated outlay of twice the amount of the economies effected by the economy bill. Is it safe to hastily pass such legislation without careful consideration and public hearings? Let us not forget that \$500,000,000 has been expended in an ill-advised effort to maintain the price of wheat and other commodities, and the net result has been a total loss to the American taxpayer, and it has utterly failed to achieve its purpose.

This bill, when passed here, will be referred to the Senate where, contrary to the procedure under which this bill is being considered here, amendments will be so allowed. I believe that in that body the bill will be so amended and improved as to make it a sound and workable program by the time it again comes before this House. However, my problem as a Member of Congress is to consider the proposed legislation in the form in which it is now being submitted to this body, and the only question which is now before me is this bill, as it now stands, without correction or amendment. I feel on the question which is now before me that my sound judgment and discretion cannot permit me to vote for this bill in its present form, entailing as it does so vast an expenditure of money, and resolving itself as it does to a dubious experiment which if it fails to work can evoke untold harm.

I am anxious to have enacted swiftly and surely legislation which will assist the farmer and alleviate his present deplorable condition. I strongly desire to see his buying power restored so that parity between the city worker and the farmer, between agriculture and industry, may be established. This would tend toward general prosperity and would stimulate a betterment of the economic situation. I sincerely trust that in the Senate, where amendments are allowed, this bill will be so amended that it will provide a sound and workable measure for relief. Then I shall be most happy to cast my vote for such corrective amendments.

Mr. EATON. Mr. Speaker, I have supported President Roosevelt's emergency program without reserve in his banking bill, his economy bill, and his beer bill. I regret that I cannot support him in this so-called farm relief bill.

My reasons for voting against this bill are imperative. It is so drawn that no farmer in the world, no Member of either branch of Congress, and no other ordinary human being could possibly understand it. Of course, it is supposed to have been written for the relief of the American

farmer by those three great agriculturalists of Manhattan Island, Mr. Morgenthau, Mr. Mordecai Ezekiel, and Professor Tugwell; but some of its mathematical formulas would indicate that Professor Einstein had a hand in framing it.

I am opposed to this legislation because it lays a sales tax of at least 30 percent upon food and clothing for the masses of consumers in this country. When a sales tax was proposed in the Seventy-second Congress of 2 percent, excluding food and clothing, it was voted down by the Democratic majority as an outrage upon all the citizens of our country. Yet here comes a proposal to lay the heaviest sales tax ever known on food and clothing alone. I cannot understand why this idea of a 30 percent sales tax on food and clothing did not "horrify" the President as did the moderate proposal of a 2 percent tax excluding food and clothing when it was brought to his attention a few weeks ago.

The authors of this bill have stated that it will cost the consumers in direct taxation at least \$800,000,000 a year. In addition it will cost around \$200,000,000 to enforce the law. This enormous administration cost is justified in the minds of the majority leaders by the fact that it will give employment to large numbers of deserving Democrats, who, by the provisions of this bill will not be embarrassed by any civil-service regulations.

In addition to this enormous sales tax the bill provides for an equally unbearable addition to the tariff which comes with strange grace from the party that for years has been proclaiming that most of our ills are due to a high tariff.

It must be recalled as soon as the President's policy in regard to the banks became known and the economy measure was passed, a wave of renewed confidence swept over the country. Prices of securities went up, and prices of commodities, including grain, cotton, and other farm products rose rapidly. Immediately this farm relief bill was brought out, confidence began to recede and prices rapidly fell again. This would indicate that if we had continued to grapple with the fundamental economic question affecting all the people, relief in the form of increased prices would have reached the farmer as well as all others as a matter of course.

The first need of the farmer, of the home owner, and of the business man of this country is a readjustment of the crushing burden of debt they are carrying and a reduction in interest charges. This has got to come either by universal bankruptcy, by an inflation of the currency, or by cooperative action between creditor and debtor under Government supervision. Relief for the farmer must come also from reduced taxes. This, of course, is a matter for the State and the municipality rather than for the Federal Government.

I see no hope for a final solution of our agricultural problem or for any other economic problem in this country until our people snap out of the hypnotic condition in which they look only to Washington to do for them what heretofore, over 150 years of glorious history, they have done for themselves by American initiative, industry, courage, and cooperation.

The shadow that lies behind this particular bill is the grandiose scheme advanced by many impractical theorists of "nationalizing" our entire American life. In essence this bill is a modified brand of sovietism. It is Russian rather than American in plan and purpose. I am not yet ready to admit that those principles upon which we have created and developed the greatest civilization, from the point of view of the common man, that the world has ever seen are incapable of further use. Modern conditions will require great and radical changes in our social and economic structure, but these changes do not necessarily involve the abandonment of those ideals of life that have made America the hope of the world.

I can conceive of no more discouraging example of this abandonment of American principles than the passage of this bill by the House of Representatives, without adequate debate, without amendment, with an almost unanimous confession of disagreement on the part of those who voted for it, and with the expressed hope that the Senate will do the



legislating necessary in order to give the bill a semblance of sanity.

This bill is in essence a gigantic attempt at price fixing, which has always been and always will be a failure, and it must be borne in mind by the taxpayers that in his message proposing this legislation the President announced that he considered it an experiment which if it failed he would be the first one to frankly admit the failure. Unfortunately, he did not indicate how the long-suffering taxpayers, who will have to put up the money, are to be reimbursed for the expense incurred in this experiment.

Mr. PETTENGILL. Mr. Speaker, the President has, with great courage, offered to attempt the herculean task of alleviating the terrible distress in which American agriculture finds itself. To vote "no" on this bill means that we are not willing to even give him the opportunity to make that effort. The effort may not succeed, but I am willing to give him the right to try. We cannot have a "new deal" from the President unless we give him the cards.

When the allotment bill was before us in January, I said:

At the special session to be held this spring the plan will be far better matured than it is now and many objectionable features now apparent may be eliminated.

A careful study of this bill discloses that it is not subject to some of the objections that I had to the former bill.

For example, the old bill made inevitable an immediate large rise in the price of farm commodities to the city consumer. It was not apparent to me how the unemployed millions in the cities were going to be able to absorb these increases without very great hardship, or if they refused to pay them and bought substitutes the processor's tax would revert back on the farmer himself, and thus destroy the end sought to be achieved—a restoration of farm buying power.

The present bill, however, has the common sense of being very flexible in its operation. The President may "cut and try." In fixing the processing tax the Secretary of Agriculture "shall" give due consideration to "wage scales" and "employment conditions" in the cities, with power to lower the tax, if necessary, to enable the consumers to continue to buy. No drastic advance is contemplated by this bill, and it is apparent that it is the intent to raise farm prices only as the consuming masses of the cities are able to absorb them in increasing employment and wage scales.

The bill specifically states that in no case shall a greater fraction of the consumer's dollar go to the farmer than was the case before the war. The former bill seemed to be written only in the interests of agriculture, while this bill contemplates just treatment for both consumers and producers. And in this connection I quote the admirable statement of the United States Supreme Court in the recent case of *Appalachian Coals, Inc., v. United States*:

The interests of producers and consumers are interlinked. When industry is grievously hurt, when producing concerns fail, when unemployment mounts and commodities dependent upon profitable production are prostrated, the wells of commerce go dry.

I do not regard this bill as an isolated effort to push forward "the embattled farmer" alone, but as part of a grand strategy that contemplates an advance along the entire economic front. If it increases the cost of food products in the present vacuum of city wage levels, it is doomed to failure. At the present time the distress in the cities is as great as it is on the farms. The farmer's pay must finally come from the pay envelopes in towns and cities. They will have to go up together.

It is apparent that it is the policy of the administration shortly to give consideration to the question of easing the debt burden of the farmer. This makes it far more certain than was true under the former bill that the increased price received by the farmer will not be absorbed and hoarded by his creditor, and thus not get back to the city worker's pay envelope in the purchase of manufactured goods.

The allotment feature of the bill I like the least, and this is what Simpson, of the Farmers Union, is none too happy about. There are the hordes of inspectors, the cost and irritations of enforcement, and the far-reaching uncertainties and demoralization which it may introduce in the

whole field of processing and distribution. Knowing that the tax, and therefore the price, may be raised or lowered any day by the Secretary of Agriculture, who will make future commitments with any confidence? The sword of an economic Damocles would again hang over the market, as it did with the Farm Board. I would much prefer, as against that, a simple leasing bill in which the Government pays out of the General Treasury rentals at least sufficient to cover the taxes on the land taken out of production. The reduced acreage and yield would benefit the farmer at harvest time—that cost would be deferred to the city consumer until that time when it is hoped that there will be a revival of earnings in the cities. In addition, when the acreage is once taken out of production, the only uncertainty left in the growing, processing, and marketing is the ancient gamble against wind and weather. Growers and handlers would not have to gamble against the Government. Further, the rentals being paid out of the General Treasury, you would not be in the position of putting a sales tax on the necessities of life.

The bill in any form is, of course, a subsidy. It seems to me that we are fast coming to the time when the subsidy business will be like a dog chasing its tail—like a dozen men in a circle, all stooping over, lifting the man ahead of him by the bootstraps. Whatever benefit anyone gets as a subsidy by being lifted by the man behind him he in time loses as a taxpayer in lifting the man in front. In this vicious circle, however, it can be said with justice that the farmer has been largely left out. Manufacturing is subsidized by the tariff; shipping by ocean mail contracts; business by free service of the Department of Commerce; railroads in the old days by land grants; inland-water carriers by river improvements; automobiles by Federal-aid highways, and so forth. Most of these have been at the expense of the farmer and have helped to cause the disparity between agriculture and industry. To close that gap is the primary justification for this bill. As long as we are in the subsidy business agriculture can claim the right to be in on the deal.

If, however, we are to attempt this gigantic effort to decrease agricultural production, we should immediately stop increasing agricultural production. We are to spend around a billion dollars in this bill to reduce production, and we still go merrily on spending millions more for new reclamation and irrigation projects, bigger and better Boulder Dams, intensive soil culture, and so forth. We have surely been living in a topsy-turvy world in recent years. For myself I have not and will not vote for more irrigation or reclamation projects until by growth of population the land we already have under the plow can no longer feed our people.

I hope this bill will benefit agriculture and in so doing help the towns. But, in my judgment, what would help them both far more is an "honest dollar." The American people will, in my judgment, not much longer tolerate a money system and its control which alternately wipes out the savings of investors and creditors in periods of inflation and then destroys the equities of debtors in periods of deflation. I hope the "new deal" will not overlook grappling with this gigantic evil which catches us coming and going and makes everything else insignificant by comparison. Long ago Thomas Jefferson spoke of a system of money control which he predicted would result in depriving our "people of all property until their children will wake up homeless on the continent their fathers conquered."

I still have many misgivings as to this bill, but I have confidence in our President to be absolutely fair to both consumer and farmer, and, in view of the great emergency confronting us, I am willing to tread with him this "new and untrod path", with his assurance that "if a fair administrative trial does not produce the hoped-for results", he will willingly so advise us.

The bill, in fact, gives the President the right by proclamation to terminate the act with respect to any commodity if he finds that it cannot be made to work. I cannot conceive that he will continue to pour money down what may prove to be a hopeless rat hole. This provision should save us from such an economic debacle as the Farm Board.



It may be that the farm problem is so huge, so complicated, that it is incapable of legislative solution in the light of present conditions affecting both domestic and world markets.

But we cannot get anywhere without going somewhere. It is sometimes better to move in a general direction than to argue too long at the crossroads. For this reason and because I think it extremely important right now for the morale of the entire Nation and all of its interests to "stand by the President", I am voting "aye."

#### ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 25 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 22, 1933, at 12 o'clock noon.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. H.R. 3342. A bill to provide revenue for the District of Columbia by the taxation of beverages, and for other purposes; with amendment (Rept. No. 11). Referred to the Committee of the Whole House on the state of the Union.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H.R. 1800) granting a pension to Ada May Fuller, and the same was referred to the Committee on Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND: A bill (H.R. 3894) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. KNUTSON: A bill (H.R. 3895) to impose a tax on food products containing imported organic fats or oils; to the Committee on Ways and Means.

By Mr. EDMONDS: A bill (H.R. 3896) to protect the candidates for or the President and the Vice President of the United States from assassination or attempted assassination and to provide jurisdiction therefor; to the Committee on the Judiciary.

By Mr. MALONEY of Connecticut: A bill (H.R. 3897) to repeal the tax on bank checks; to the Committee on Ways and Means.

By Mr. BROWN of Kentucky: A bill (H.R. 3898) to repeal the tax on bank checks; to the Committee on Ways and Means.

Also, a bill (H.R. 3899) to repeal section 1001 (a) of the Revenue Act of 1932, which increased the rate of postage on certain mail matter of the first class; to the Committee on Ways and Means.

By Mr. SCRUGHAM: A bill (H.R. 3900) authorizing the Secretary of the Treasury to pay certain subcontractors for material and labor furnished in the construction of the post office at Las Vegas, Nev.; to the Committee on Public Buildings and Grounds.

Also, a bill (H.R. 3901) authorizing the Reconstruction Finance Corporation to make advances to the reclamation fund; to the Committee on Banking and Currency.

By Mr. MITCHELL: A bill (H.R. 3902) to regulate the importation of milk and cream and milk and cream products into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health; to the Committee on Agriculture.

By Mr. WHITE: A bill (H.R. 3903) to amend section 616 (relating to the tax on electrical energy) of the Revenue Act of 1932; to the Committee on Ways and Means.

By Mr. GIBSON: A bill (H.R. 3904) to amend paragraph 31 (c) of section 7 of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended; to the Committee on the District of Columbia.

By Mr. BYRNS: A bill (H.R. 3905) for the relief of unemployment through the performance of useful public work, and for other purposes; to the Committee on Labor.

By Mr. BEAM: A bill (H.R. 3906) to amend section 726 of the Revenue Act of 1932, increasing temporarily the stamp tax on sales of produce for future delivery; to the Committee on Ways and Means.

By Mr. WILCOX: A bill (H.R. 3907) providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Orlando, Fla.; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H.R. 4003) to regulate commerce among the States, to promote the general welfare by strengthening confidence in life insurance, and by protecting the policyholders of life insurance; to the Committee on Interstate and Foreign Commerce.

By Mr. SCRUGHAM: A bill (H.R. 4004) to provide for the redistribution of the overbalance of population in industrial centers by aiding in the purchase of subsistence farms, and for other purposes; to the Committee on Agriculture.

By Mr. CANNON of Wisconsin: Joint resolution (H.J.Res. 103) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H.J.Res. 104) directing the President of the United States of America to proclaim October 11 of 1933, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SABATH: Joint resolution (H.J.Res. 105) authorizing and requesting the President to pardon those serving sentences for violating the Volstead Act and the Attorney General to nolle prosequi certain outstanding indictments; to the Committee on the Judiciary.

By Mr. LESINSKI: Joint resolution (H.J.Res. 106) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of New Mexico, memorializing Congress to remonetize silver and restore said metal to its proper and historic use as money, or as a basis for the issuance of silver certificates to serve as money, and to admit the silver of the world, or at least such thereof as is produced in the United States, to coinage in our national mints, upon such basis of value as compared with gold as may be deemed just and proper; to the Committee on Coinage, Weights, and Measures.

Memorial of the Legislature of the State of Massachusetts, memorializing Congress to regulate the hours and wages of persons employed in manufacturing and industrial establishments; to the Committee on Labor.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW of Massachusetts: A bill (H.R. 3908) for the relief of Joanna A. Sheehan; to the Committee on Claims.

Also, a bill (H.R. 3909) for the relief of Cyril Ambrose Deery; to the Committee on Naval Affairs.

By Mr. BEITER: A bill (H.R. 3910) granting a pension to Dorothy D. Grabenstatter; to the Committee on Pensions.



By Mr. BLACK: A bill (H.R. 3911) for the relief of Margaret Diederich; to the Committee on Claims.

Also, a bill (H.R. 3912) for the relief of Roland Zolesky; to the Committee on Claims.

Also, a bill (H.R. 3913) for the relief of the legal guardian of Nick Vasilzevic; to the Committee on Claims.

Also, a bill (H.R. 3914) for the relief of the George C. Mansfield Co. and George D. Mansfield; to the Committee on Claims.

By Mr. BURNHAM: A bill (H.R. 3915) granting a pension to John Burton Hughes; to the Committee on Pensions.

Also, a bill (H.R. 3916) granting a pension to Mary H. Wallace; to the Committee on Pensions.

By Mr. CARY: A bill (H.R. 3917) granting a pension to Luther Skaggs; to the Committee on Pensions.

Also, a bill (H.R. 3918) to authorize the transfer of certain land in Hopkins County, Ky., to James D. Meadors; to the Committee on World War Veterans' Legislation.

Also, a bill (H.R. 3919) granting a pension to Vuna Flener; to the Committee on Pensions.

Also, a bill (H.R. 3920) granting a pension to Margaret Ragland; to the Committee on Pensions.

Also, a bill (H.R. 3921) granting a pension to Lee Rigby; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3922) granting a pension to Andrew J. White; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3923) granting a pension to Annie Lewis; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3924) granting a pension to Benjamin F. Norris; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3925) granting a pension to Squire F. Ashley; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3926) granting a pension to Malinda Howard; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3927) granting a pension to Sylvia Abner; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3928) granting a pension to Lucinda Bratcher; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3929) granting a pension to Sarah Ann B. Emry; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3930) granting a pension to Bettie Dillard; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3931) granting a pension to Elizabeth Knight; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3932) granting a pension to Donnie E. Moreland; to the Committee on Pensions.

Also, a bill (H.R. 3933) granting a pension to Jamaica Taylor; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3934) granting an increase of pension to William T. Conway; to the Committee on Pensions.

Also, a bill (H.R. 3935) granting an increase of pension to Burley L. Van Fleet; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3936) for the relief of R. A. Williams; to the Committee on Claims.

Also, a bill (H.R. 3937) for the relief of Mrs. Hugh A. Thomas; to the Committee on Claims.

Also, a bill (H.R. 3938) for the relief of O. D. Cardwell; to the Committee on Claims.

Also, a bill (H.R. 3939) for the relief of Charlie T. Annis; to the Committee on Military Affairs.

Also, a bill (H.R. 3940) to extend the benefits of the Employee's Compensation Act of September 7, 1916, to J. P. Moseley; to the Committee on Claims.

By Mr. COCHRAN of Missouri: A bill (H.R. 3941) for the relief of Oscar R. Witte; to the Committee on Claims.

Also, a bill (H.R. 3942) for the relief of George E. Stuckey; to the Committee on Military Affairs.

By Mr. DOCKWEILER: A bill (H.R. 3943) granting a pension to Cora B. Noyes; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3944) granting a pension to Belle B. Craig; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3945) granting a pension to Laura A. Garrison; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3946) for the relief of Harry C. Hall; to the Committee on Claims.

Also, a bill (H.R. 3947) granting an increase of pension to Mont Graham; to the Committee on Pensions.

Also, a bill (H.R. 3948) for the relief of William Clair Wise; to the Committee on Military Affairs.

Also, a bill (H.R. 3949) for the relief of Patrick H. H. Snodgrass; to the Committee on Military Affairs.

Also, a bill (H.R. 3950) for the relief of Robert C. Nicholson; to the Committee on Military Affairs.

Also, a bill (H.R. 3951) for the relief of Edwin G. Blanchard; to the Committee on Military Affairs.

By Mr. DRIVER: A bill (H.R. 3952) for the relief of Grace P. Stark; to the Committee on Claims.

By Mr. EDMONDS: A bill (H.R. 3953) for the relief of Alvin Ernest Whaley; to the Committee on Naval Affairs.

Also, a bill (H.R. 3954) for the relief of Frederick Schwartz, Jr.; to the Committee on Naval Affairs.

By Mr. GUYER: A bill (H.R. 3955) granting a pension to Alice L. Calderhead; to the Committee on Invalid Pensions.

By Mr. JACOBSEN: A bill (H.R. 3956) to authorize Frank W. Mahin, retired American Foreign Service officer, to accept from Her Majesty the Queen of the Netherlands the brevet and insignia of the Royal Netherland Order of Orange Nassau; to the Committee on Foreign Affairs.

By Mr. JAMES: A bill (H.R. 3957) granting a pension to Mary E. Moen; to the Committee on Pensions.

By Mr. JENKINS: A bill (H.R. 3958) granting an increase of pension to Mary C. Kenef; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3959) granting a pension to Minnie B. Leonard; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3960) granting an increase of pension to Sophie M. Swigert; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H.R. 3961) to correct the military record of Joseph A. Roland; to the Committee on Military Affairs.

Also, a bill (H.R. 3962) granting an increase of pension to Mira E. Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3963) granting an increase of pension to Harriet A. Drury; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3964) granting an increase of pension to Victoria B. Temple; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3965) granting an increase of pension to Agnes Robertson; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3966) granting an increase of pension to Eunice F. Brown and a pension to Ruth M. Brown; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3967) granting an increase of pension to Helena K. Helm; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3968) granting an increase of pension to Mary H. Smith; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3969) granting an increase of pension to Mary C. Reed; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3970) granting a pension to Robert Clark Pollock; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3971) for the relief of Edna Morris; to the Committee on Claims.

Also, a bill (H.R. 3972) granting a pension to Robert McDermott; to the Committee on Pensions.

Also, a bill (H.R. 3973) granting a pension to Maggie Rachael Wilt; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3974) granting a pension to M. R. Smith; to the Committee on Pensions.

Also, a bill (H.R. 3975) granting a pension to Bess B. Mills; to the Committee on Pensions.

By Mr. KOCIALKOWSKI: A bill (H.R. 3976) for the relief of Charles J. Rysko; to the Committee on Military Affairs.

By Mr. KOPPLEMANN: A bill (H.R. 3977) for the relief of Joseph Salinghi; to the Committee on Claims.

By Mr. LINDSAY: A bill (H.R. 3978) for the relief of Albert Bruce Mumma; to the Committee on Naval Affairs.

By Mr. LLOYD: A bill (H.R. 3979) granting a pension to Emma D. Jones; to the Committee on Invalid Pensions.



By Mr. O'BRIEN: A bill (H.R. 3980) for the relief of Carl L. Bernau; to the Committee on Military Affairs.

By Mr. SADOWSKI: A bill (H.R. 3981) for the relief of Lukasz Komajda; to the Committee on Claims.

By Mr. SCRUGHAM: A bill (H.R. 3982) for the relief of cargo laden aboard the United States transport *Florence Luckenbach* on or about December 27, 1918; to the Committee on Claims.

By Mr. SUMNERS of Texas: A bill (H.R. 3983) for the relief of John C. Larkin; to the Committee on Military Affairs.

By Mr. WELCH: A bill (H.R. 3984) for the relief of Thomas H. Dowd; to the Committee on Military Affairs.

Also, a bill (H.R. 3985) for the relief of Charles T. Moll; to the Committee on Military Affairs.

Also, a bill (H.R. 3986) for the relief of Ernst Nussbaum; to the Committee on Claims.

Also, a bill (H.R. 3987) for the relief of Edward Earl Bain; to the Committee on Naval Affairs.

Also, a bill (H.R. 3988) for the relief of Herbert Rogers Cranton; to the Committee on Naval Affairs.

Also, a bill (H.R. 3989) for the relief of Carver A. Thomas; to the Committee on Military Affairs.

Also, a bill (H.R. 3990) for the relief of Martin J. Blazevich; to the Committee on Claims.

Also, a bill (H.R. 3991) for the relief of Abe Rubenstein; to the Committee on Naval Affairs.

Also, a bill (H.R. 3992) for the relief of C. A. Betz; to the Committee on Claims.

Also, a bill (H.R. 3993) for the relief of Thomas Kelly; to the Committee on Naval Affairs.

Also, a bill (H.R. 3994) for the relief of Cornelius F. J. Howard; to the Committee on Naval Affairs.

Also, a bill (H.R. 3995) for the relief of W. A. Belard; to the Committee on Naval Affairs.

Also, a bill (H.R. 3996) for the relief of Frank Bolt; to the Committee on Naval Affairs.

Also, a bill (H.R. 3997) for the relief of Erney S. Blazer; to the Committee on Military Affairs.

Also, a bill (H.R. 3998) for the relief of Rawley Clay Allen; to the Committee on Naval Affairs.

Also, a bill (H.R. 3999) granting a pension to Thomas Hamilton Peckham; to the Committee on Pensions.

Also, a bill (H.R. 4000) granting a pension to Grace M. Eigholz; to the Committee on Pensions.

Also, a bill (H.R. 4001) granting an increase of pension to Deborah Hunter; to the Committee on Invalid Pensions.

Also, a bill (H.R. 4002) extending the benefits of the Emergency Officers' Retirement Act to Thomas Joseph McHugh; to the Committee on World War Veterans' Legislation.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

103. By Mr. BOYLAN: Letter from the Stationers' Association of New York City, urging the repeal of the tax on checks and reduction of postage rates on first-class mail; to the Committee on the Post Office and Post Roads.

104. By Mr. DELANEY: Petition of Louis Segal, president of the Segal Lock & Hardware Co., Inc., of New York, proposing an emergency measure to temporarily meet conditions in the banking situation; to the Committee on Banking and Currency.

105. By Mr. JOHNSON of Texas: Telegrams of Tom Field, secretary-treasurer Brazos Valley Farm Improvement Association, Calvert, and of V. O. Miles, W. A. Daniels, Clyde Moore, and Dr. J. Fain Moore, of Coolidge, all of the State of Texas, urging passage of President's farm relief bill; to the Committee on Agriculture.

106. By Mr. KVALE: Petition of the annual town meeting of Eden Township, of Pipestone County, Minn., urging support and enactment of the President's program; to the Committee on Ways and Means.

107. Also, petition of Benson (Minn.) Woman's Christian Temperance Union, urging enactment of legislation provid-

ing for Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

108. Also, petition of Minnesota Raw Fur Dealers Association, Minneapolis, Minn., urging support of the President's economy program; to the Committee on Ways and Means.

109. Also, petition of Duluth Chamber of Commerce, Duluth, Minn., indorsing President's recommendations; to the Committee on Ways and Means.

110. Also, petition of St. Paul Fire & Marine Insurance Co., St. Paul, Minn., urging support of President's economy program; to the Committee on Ways and Means.

111. Also, petition of officers and employees of the Dairy Supply Co., Minneapolis, Minn., unanimously supporting the banking-control program of the President; to the Committee on Banking and Currency.

112. Also, petition of 17 citizens of St. Paul, Minn., urging enactment of legislation providing for the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

113. Also, petition of 53 citizens of St. Paul, Minn., urging enactment of legislation providing for the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

114. Also, petition of 500 members of the Halvorson-Bowers Post, No. 187, American Legion, Minneapolis, Minn., urging Congress to retain its authority in dealing with veterans' affairs; to the Committee on Ways and Means.

115. Also, petition of Minneapolis Chapter of the Disabled American Veterans of the World War, urging retention of allowances to service-connected cases of veterans; to the Committee on Ways and Means.

116. Also, petition of State officers, Minnesota American Legion, urging Congress to maintain its constitutional responsibility to consider existing veterans' laws; to the Committee on Ways and Means.

117. Also, petition of all posts of Veterans of Foreign Wars of Minnesota, opposing granting of dictatorial powers to the President and opposing cutting veterans' benefits; to the Committee on Ways and Means.

118. Also, petition of Granite Falls (Minn.) Post of American Legion, opposing reduction of disability benefits, particularly service-connected cases or those with presumptive connection; to the Committee on Ways and Means.

119. Also, petition of Spanish War Veterans' Camp, Fairbault, Minn., protesting any change in pensions for Spanish War veterans; to the Committee on Pensions.

120. Also, petition of Spanish-American War Veterans, Edward Dolan Camp, No. 28, Worthington, and Arthur McArthur Camp, No. 16, Minneapolis, Minn., protesting any reduction in pensions to Spanish-American War veterans; to the Committee on Pensions.

121. Also, petition of American Legion State Executive Committee, St. Paul, and commander tenth district, Robbinsdale, Minn., opposing plan to wipe out present veterans' laws; to the Committee on Ways and Means.

122. Also, petition of Spanish War veterans of Minneapolis, Minn., urging enactment of legislation to provide similar benefits to Spanish War veterans as Civil War veterans receive; to the Committee on Pensions.

123. Also, petition of 71 citizens, Sleepy Eye, Minn., urging enactment of legislation providing for the revaluation of the gold ounce and other measures; to the Committee on Coinage, Weights, and Measures.

124. Also, petition of Warren Women's Club, Warren, Minn., urging Federal regulation of motion pictures; to the Committee on Interstate and Foreign Commerce.

125. Also, petition of Minneapolis Letter Carriers' Association of 600 members, opposing wage-cut proposal in the economy bill; to the Committee on Ways and Means.

126. Also, petition of American Legion Auxiliary, Olivia, Minn., urging enactment of the Rankin bill with the elimination of the "needs" clause; to the Committee on World War Veterans' Legislation.

127. Also, petition of International Falls (Minn.) Trades and Labor Assembly, urging enactment of legislation em-



bodily a 30-hour week, with minimum wage program; to the Committee on Labor.

128. Also, petition of 10 citizens of Minneapolis, Minn., urging enactment of legislation providing for the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

129. Also, petition of eight citizens of Twin Lakes, Minn., urging passage of legislation providing for revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

130. Also, petition of 30 individuals, citizens of Minnesota, urging enactment of legislation providing for the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

131. Also, petition of 101 citizens of Minneapolis, Minn., urging enactment of legislation to change the value of the gold ounce; to the Committee on Coinage, Weights, and Measures.

132. Also, petition of members of the Legislature of the State of Minnesota; to the Committee on Appropriations.

133. Also, petition of R. G. Goltz, Ed. T. Johnson, W. A. Anderson, J. P. Houston, and Andrew Fjoslien, committee for the mass meeting called by the Farmers' Holiday Association of Grant County, Minn., urging enactment of the Frazier bill, of legislation for monetary inflation, of legislation fixing a minimum price for farm products, of Government regulation of terminal and storage facilities, of elimination of grain speculation, of protective-tariff rights for imports of grain, meats, and fats, and of Government operation of railroads; to the Committee on Interstate and Foreign Commerce.

134. Also, petition of the legislative committee of the Meeker County Taxpayers' Association; to the Committee on Ways and Means.

135. Also, petition of Nobles County (Minn.) Farmers Union, urging enactment of the Frazier bill, the Swank-Thomas bill, the Wheeler bill, and the Patman bill, urging legislation to withdraw all taxable bonds, and urging legislation to postpone payment of penalties on all tax delinquencies for 2 years; to the Committee on Banking and Currency.

136. Also, petition of 28 individuals, citizens of Minnesota, urging enactment of legislation providing for the revaluation of the gold ounce; to the Committee on Coinage, Weights, and Measures.

137. By Mr. MALONEY of Connecticut: Petition of National Association of Railroad and Utilities Commissioners, adopted at forty-fourth annual convention held in Hot Springs, Ark., November 15 to 18, 1932; to the Committee on the Judiciary.

138. By Mr. MEAD: Petition of Buffalo citizens regarding support of the Capper-Kelly bill; to the Committee on Interstate and Foreign Commerce.

139. By Mr. O'CONNELL: Petition of the General Assembly of the State of Rhode Island, urging the use of granite in Federal construction; to the Committee on Appropriations.

140. By Mr. O'MALLEY: Memorial of the Legislature of the State of Wisconsin, relating to the consideration for granite and Wisconsin hard limestone in Federal construction in Wisconsin and other States because of its durability, dignity, and beauty; to the Committee on Public Buildings and Grounds.

141. Also, memorial of the Legislature of the State of Wisconsin, expressing confidence in, and support of, the measures taken by President Roosevelt and the national administration in the present banking crisis, and urging all depositors in banks to remain calm and have confidence in the measures taken by the President and the Congress of the United States; to the Committee on Banking and Currency.

142. By Mr. SUTPHIN: Petition of Italian Progressive Club, of Asbury Park, N.J., supporting the President of the United States in his economy and banking program; to the Committee on Economy.

## SENATE

WEDNESDAY, MARCH 22, 1933

(Legislative day of Monday, Mar. 13, 1933)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haligan, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S.J.Res. 14) to authorize the Reconstruction Finance Corporation to make loans for financing the repair or reconstruction of buildings damaged by earthquake in 1933.

### ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 3341) to provide revenue by the taxation of certain nonintoxicating liquor, and for other purposes, and it was signed by the Vice President.

### PUBLIC BUILDINGS COMMISSION

The VICE PRESIDENT. Under authority of section 1, chapter 1, title 40, of the United States Code, the Chair appoints the Senator from Texas [Mr. CONNALLY] a member of the Public Buildings Commission to fill the vacancy caused by the resignation of Hon. Claude A. Swanson as Senator from Virginia.

### THE JOURNAL

Mr. ROBINSON of Arkansas. Mr. President, I ask unanimous consent that the Journal for the calendar days of Monday and Tuesday, March 20 and 21, 1933, be approved.

The VICE PRESIDENT. Is there objection? The Chair hears none.

### CALL OF THE ROLL

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Reynolds
Ashurst	Costigan	La Follette	Robinson, Ark.
Austin	Couzens	Lewis	Robinson, Ind.
Bachman	Dickinson	Logan	Russell
Bailey	Dieterich	Loneragan	Sheppard
Bankhead	Dill	Long	Smith
Barbour	Duffy	McAdoo	Steiwer
Barkley	Erickson	McCarran	Stephens
Black	Fess	McGill	Thomas, Okla.
Bone	Fletcher	McKellar	Thomas, Utah
Borah	Frazier	McNary	Trammell
Bratton	George	Metcalf	Tydings
Brown	Glass	Murphy	Vandenberg
Bulkley	Goldsbrough	Neely	Van Nuys
Byrd	Gore	Norbeck	Wagner
Byrnes	Hale	Norris	Walcott
Capper	Harrison	Nye	Walsh
Caraway	Hatfield	Overton	Wheeler
Carey	Hayden	Patterson	White
Clark	Johnson	Pittman	
Connally	Kendrick	Pope	
Coolidge	Keyes	Reed	

Mr. REED. I desire to announce that my colleague the junior Senator from Pennsylvania [Mr. DAVIS] is still detained from the Senate by illness. I will let this announcement stand for the day.

Mr. FESS. I wish to announce that the following-named Senators are necessarily absent: Mr. DALE, Mr. HASTINGS, Mr. HEBERT, Mr. KEAN, Mr. SHIPSTEAD, and Mr. SCHALL.